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Federal Coal Management Report

Fiscal Year 1983



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Federal Coal Management Report

Fiscal Year 1983

Annual report of the Secretary of the Interior under
Section 8 of the Federal Coal Leasing Amendments Act of 1976
(P.L. 94-377)

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PREFACE

The Federal Coal Management Report is an annual report mandated by the Federal Coal Leasing Amendments Act of 1976. This year's report, the seventh to be transmitted to Congress, focuses on the implementation of the Federal Coal Management Program during Fiscal Year (FY) 1983 and in the last section touches on the major changes being implemented in 1984. By December 31, 1984, the Department expects to have in place a decision-making process which will allow it to responsibly determine whether specific proposed sales will be in the national interest.

This report is divided into five major parts: (1) Introduction; (2) Changes in the Federal Coal Management Program; (3) Management, Supervision, and Enforcement in FY 1983; (4) Litigation; and (5) Major Issues and Recommendations for 1984. There are also two appendices.

The Introduction summarizes the status of Federal coal lands and current leases and applications.

The second part briefly describes the changes to the Federal coal management program that were implemented in FY 1983.

The third part presents the FY 1983 responsibilities and activities of the Bureau of Land Management (BLM), Minerals Management Service (MMS), Geological Survey (GS), Office of Surface Mining Reclamation and Enforcement (OSM), Fish and Wildlife Service (FWS), Department of Agriculture/Forest Service (FS), and Department of Justice (DOJ).

The fourth part briefly discusses litigation concerning Federal coal activities.

The last part, as mandated, provides a brief description of current issues and recommendations for improving the Federal coal program. This section briefly discusses the investigation by the Commission on Fair Market Value Policy for Federal Coal Leasing and the changes planned for the coal program in 1984.

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I. INTRODUCTION

The Federal Government owns one-third of the Nation's coal and indirectly affects the use of at least an additional 20 percent of the coal in the West. Approximately 75.6 million acres of coal lands are owned and administered by the Federal Government and are located principally in the western States. These western Federal coal lands contain as much as 60 percent of the total western coal reserve base.

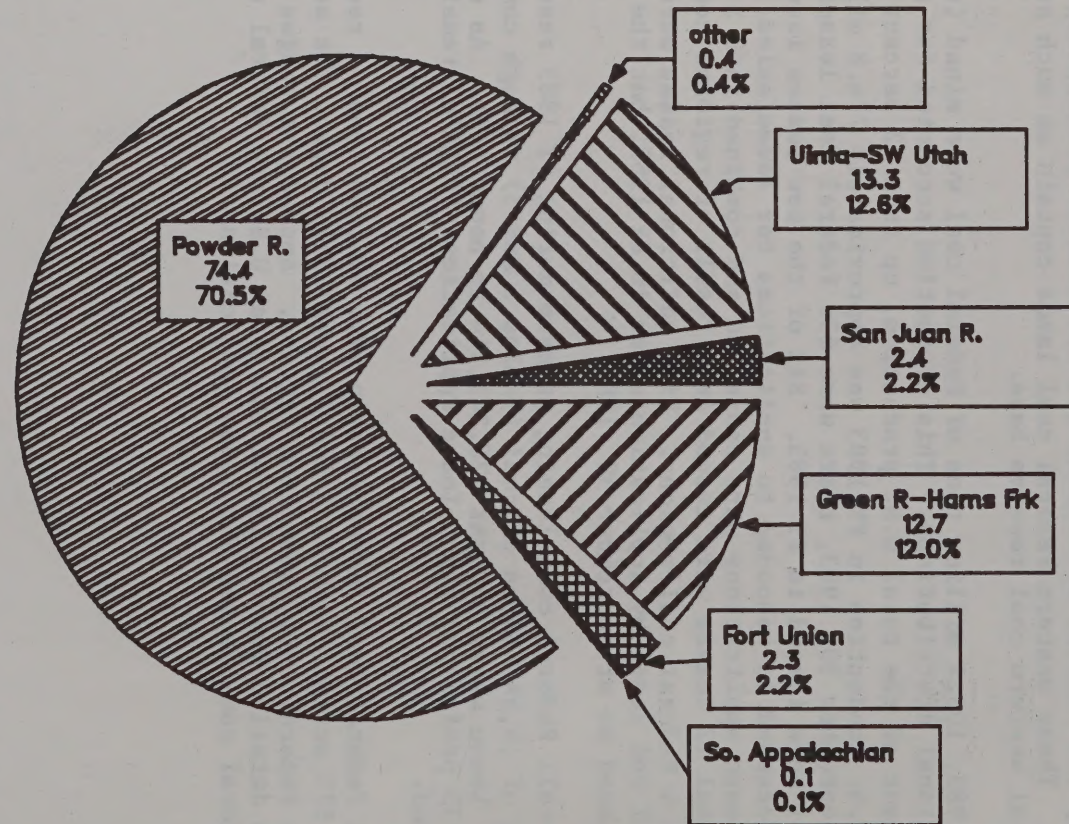
In FY 1983, 105.4 million tons of Federal coal were mined (see figure 1 for regional distribution). This production accounted for approximately 14 percent of the total U.S. production, up from 12 percent in FY 1982. Total U.S. production in FY 1983 was approximately 774.8 million tons. As of September 30, 1983, there were 632 Federal coal leases in effect, of which 21 were issued in FY 1983. Six of the new leases issued in FY 1983 were processed in response to applications for lease sales. Four preference right lease applications were converted and combined into 3 leases. An additional 12 leases were issued as a result of regional coal lease sales held in 4 Federal coal regions. Five additional leases were sold through regional and lease by application sales in FY 1983, but the leases had not been issued as of September 30, 1983.

The overall Federal coal leasing program during FY 1983 resulted in the leasing of 14,547 acres of coal (Tables 1 and 3) through competitive lease sales. Lease sales brought \$26,241,514 in bonus bids. As of September 30, 1983, 133 preference right lease applications (PRLA's) remained to be processed.

The 632 Federal coal leases contain 17.7 billion tons of recoverable reserves on 948,575 acres. Figures 2 and 3 graphically depict the acreage and reserves for the Federal coal production regions. Appendix A (pages 51 to 71) provides a detailed description of the total U.S. and Federal coal lands and the Federal coal leases and lease applications.

Figure 1

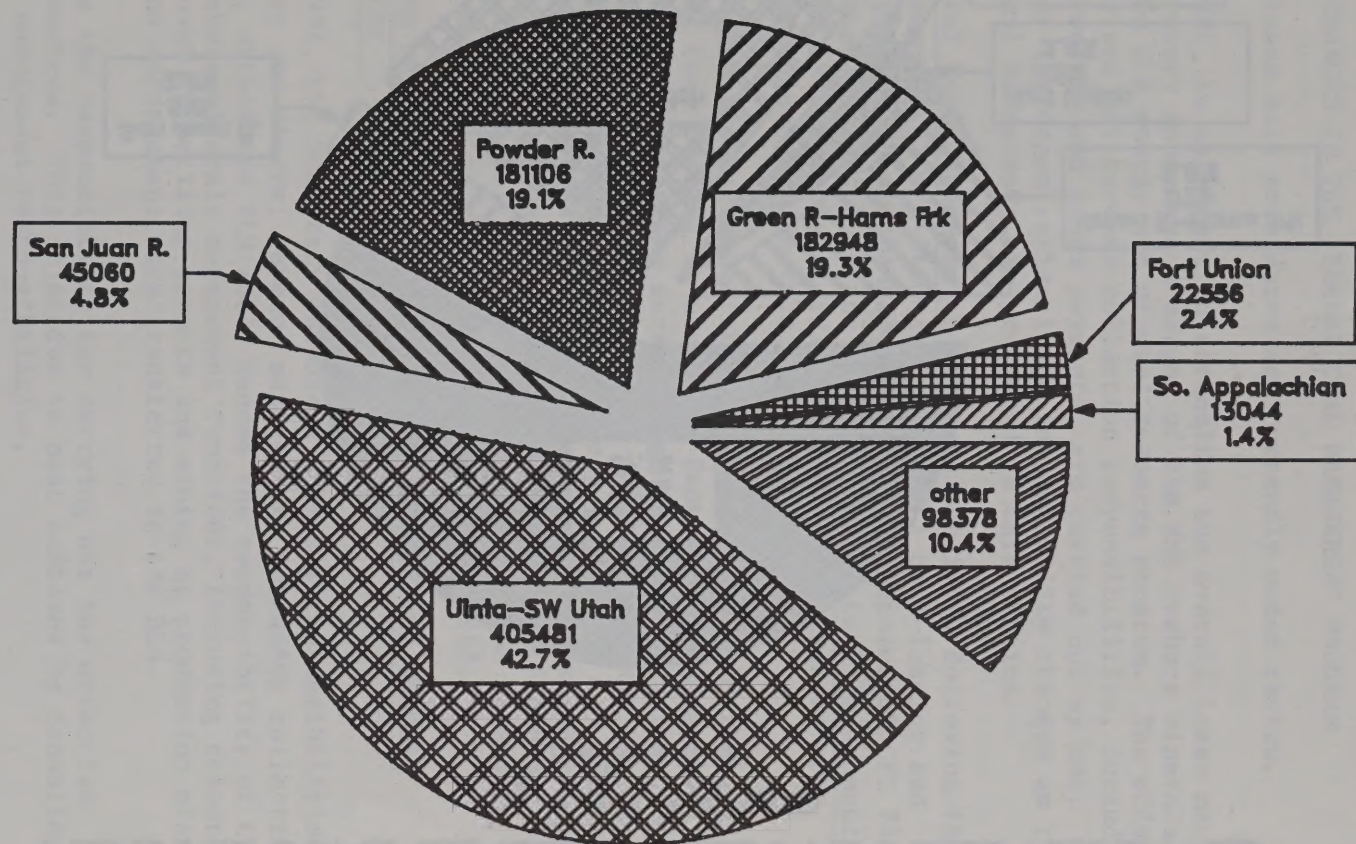
FEDERAL COAL LEASES — FY 83 PRODUCTION By Coal Regions million tons



SOURCE: Minerals Management Service,
Royalty Management Office.

Figure 2

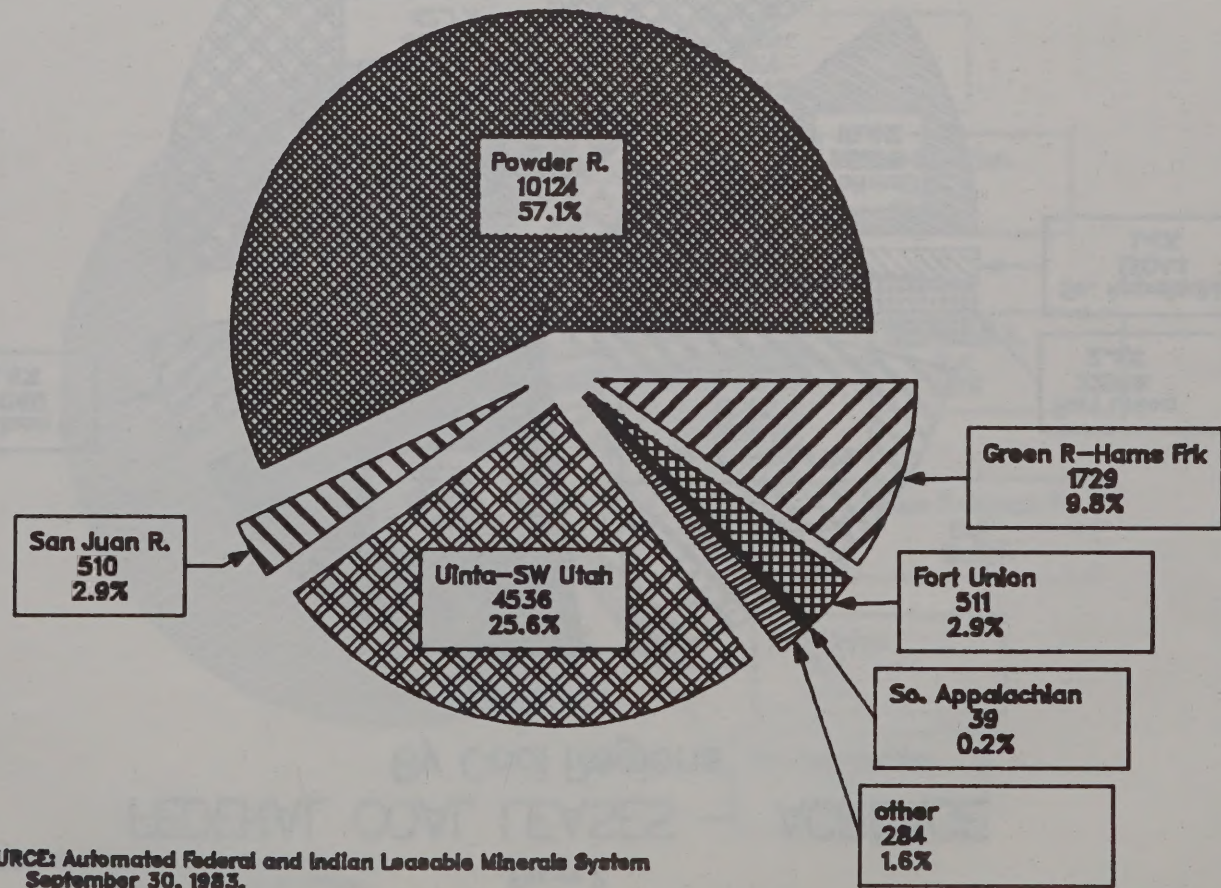
FEDERAL COAL LEASES — ACREAGE By Coal Regions



SOURCE: Automated Coal Lease Data System,
September 30, 1983.

Figure 3

FEDERAL COAL LEASES — RECOVERABLE RESERVES By Coal Regions million tons



SOURCE: Automated Federal and Indian Leasable Minerals System
September 30, 1983.

II. CHANGES IN THE FEDERAL COAL MANAGEMENT PROGRAM

NOTE: All coal lease sale procedures are currently under review.

On December 3, 1982, in an effort to streamline the overall lease management program, the Secretary announced a merger of the MMS onshore minerals functions into the BLM energy and mineral resource program. The offshore leasing functions and all revenue collection responsibilities, including coal royalties, rentals and bonus payments, are carried out by MMS. A full discussion of the organizational and responsibility changes as they affect Federal coal management are presented in this section.

Last year's Federal Coal Management Report was published following the issuance of the amended 43 CFR 3400 and 30 CFR 211 coal leasing and operating regulations. These changes and the then proposed 30 CFR 740-746 rules were discussed at length in the FY 1982 Federal Coal Management Report. During FY 1983 additional rule and procedural changes were implemented and are discussed in this report.

During FY 1983 Congress established the Commission on Fair Market Value Policy for Federal Coal Leasing to study the Federal Coal Management Program and resolve controversies surrounding Interior's leasing procedures. The Commission's report and the Department's initial response are discussed in Section V, "Major Issues and Recommendations for 1984". By December 31, 1984, the Department expects to have in place a decision-making process which will allow it to responsibly determine whether specific proposed sales will be in the national interest and until such time as new procedures are developed, no coal lease sales will be held.

A. BUREAU OF LAND MANAGEMENT/MINERALS MANAGEMENT SERVICE ONSHORE MINERALS MERGER

On December 3, 1982, the Secretary announced that all responsibilities related to royalty and mineral revenue management, including collection and distribution, within the BLM would become the responsibility of the MMS. All MMS onshore minerals management functions, including resource evaluation, approval of drilling permits and mining or production plans, and inspection and enforcement were transferred to the BLM.

The Secretary has the responsibility for carrying out the effective management of resources. This objective is best achieved by consolidating onshore minerals management responsibilities.

The BLM has responsibility for environmental review of onshore mineral activities; resource classification and geoscientific and economic evaluation of leasable mineral tracts; issuance of leases and permits; and approval and supervision (inspection and enforcement programs) of both pre- and post-lease exploration, development and production operations. These responsibilities provide for the extraction of minerals by methods that minimize waste of resources and damage to the environment and lead to maximum recovery and conservation of the resource.

Implementation of the merger was intended to accomplish the following:

- o Ensure full consideration of energy and mineral resources in accordance with the BLM's multiple use mandate and allow greater accountability for efficient and timely development of mineral resources.
- o Eliminate fragmented, complicated, and inefficient activities, providing one-stop service for onshore minerals management.
- o Increase management efficiencies by eliminating duplication of effort and overlapping functions.
- o Balance protection of the environment with the economic and security needs of the Nation.
- o Increase the information exchange with States and Indian Tribes. The consolidation of lease accounting functions and installation of sophisticated new accounting systems has made possible the sharing of mineral lease revenue data with States and Tribes.
- o Ensure rapid funds distribution. Funds are deposited daily and distributed on a monthly basis with more accuracy and less confusion. There is one organization responsible for lease revenues from beginning to end, eliminating duplication.

The specific responsibilities of each agency as they relate to the Federal coal management program are discussed in Section III, "Management, Supervision, and Enforcement".

B. BUREAU OF LAND MANAGEMENT

NOTE: All coal lease sale procedures including the procedure changes implemented in FY 1983 are under review.

Consultation with Governors

On January 12, 1983, an interim final rule was published which amended the coal regulations (43 CFR 3400). The amendments resulted from direct consultation between the Secretary and the Western coal State Governors in a meeting held on November 22, 1982. This rule was effective on the date of publication; however, public comments were accepted until February 28, 1983. This interim final rulemaking modified and clarified provisions of the Department of the Interior's coal management regulations which were published July 30, 1982. The new provisions primarily related to the consultation process between the Department of the Interior, State Governments and Governor's offices. The provisions also relate to consultation and coordination between the Department of the Interior and regional coal teams (RCT) and procedures for appeal of surface ownership determinations made by the BLM. Based on review of the comments received when the July 30, 1982, regulations were proposed and experience gained in implementing the final rules, additional changes were promulgated in the interim final coal rules to provide for the RCTs to recommend preferred leasing levels. The policy of close cooperation and consultation with State Governments has been enhanced by more explicit procedures for Secretarial consultation with Governors of States affected by Federal coal leasing. After review of the comments received on the interim rule, the changes were published as a final rule on August 19, 1983.

Unsuitability Criterion Number 7

On December 7, 1983, the Department of the Interior published final amendments to the Federal coal management regulations (43 CFR Part 3460). This rule, which had been proposed on March 1, 1983, modified unsuitability criterion number 7 for coal mining by amending §3461.1(g) of Title 43 of the CFR to make it consistent with the unsuitability provisions of Section 522(e) of Surface Mining Control and Reclamation Act of 1977 (SMCRA). Criterion number 7 provides that all publicly owned places on Federal lands which are included in the National Register of Historic Places shall be considered unsuitable. This shall include any areas that the surface management agency determines, after consultation with the Advisory Council on Historic Preservation and the State Historic Preservation Officer, are necessary to protect the inherent values of the property that made it eligible for listing in the National Register. All or certain stipulated methods of coal mining may be allowed if, after consultation with the Advisory Council on Historic Preservation and the State Historic Preservation Officer, they are approved by the surface

management agency and, where appropriate, the State or local agency with jurisdiction over the historic site. This criterion does not apply to land to which the operator made substantial legal and financial commitments prior to January 4, 1977; on which surface coal mining operations were being conducted August 3, 1977; or which include operations on which a permit has been issued.

Merging the Regulations

Following the BLM/MMS onshore minerals management merger, the BLM converted the 30 CFR Part 211 regulations relating to Federal coal management into the 43 CFR Part 3480. This was primarily a merger of existing regulations, with no substantive changes made to the coal program. The redesignated rules were published in the Federal Register on September 16, 1983.

Coal Lease Sale Procedures

NOTE: All coal leasing procedures are under review.

At the beginning of FY 1983, interim competitive coal lease sale procedures were in effect which required \$100 an acre minimum bid for consideration, sealed bidding, published presale representative market values for maintenance tracts and postsale evaluations (tract appraisals) for determining whether fair market value (FMV) was being received for each tract. These postsale deliberations were based on two tests. The first consisted of the number of bidders and the tract's competitive characteristic test to determine if bid acceptance on a tract was possible based on competition alone. The second test was an appraisal or reservation price test for those tracts not found competitive to determine if bid acceptance was possible because the bid exceeded a comparable-sales-based appraisal.

These two tests determined the recommendations to the sale panel by the evaluation teams pertaining to whether to accept or reject bids for tracts. Provisions were also included for noting special circumstances like bypass tract status in the evaluation team report which the sale panel could consider in its recommendation to the State Director on tract bid acceptance.

Public comments were requested on these interim procedures (47 FR 40242, 9/13/82). The replies were quite diverse but two types of comments were common. First, many felt the procedures were too subjective, confusing and potentially subject to abuse. Second, the public comments indicated that most coal tracts were likely to have a single dominant bidder who had a neighboring mine or who was blocking up a new mine including the Federal tract. This raised questions about how to ascertain the competition required for bid acceptance on a competitive basis.

A review and options analysis was undertaken by BLM and the Department concerning the public comments and alternative new sale evaluation procedures. The deliberations resulted in a July 1983 Secretarial Decision in which the Secretary selected final lease sale tract evaluation procedures (48 FR 153, 8/8/83). These final procedures were implemented in detail in the September Fort Union coal lease sale. These new procedures provided for a \$100 an acre minimum bid for all tracts with no presale release of the BLM appraised value of any tracts. They also provided for a documented presale evaluation or appraisal of each tract with tight security control for these estimates. In the postsale period, these procedures provided for possible postsale acceptance of tracts showing two or more substantive bids larger than 1/4 the presale appraised value. This acceptance on a competitive basis depends on whether the high bid exceeds the average of the presale appraisal value and two or more substantive bids on the tract. Substantive multi-bid tracts failing this test are rejected. The remaining one bid tracts and tracts lacking two substantive bids are then tested to see if they exceed postsale appraisal values which are based on newly accepted competitive tracts if available or the presale appraisals if not. Tracts not passing this second test are recommended to the sale panel and the State Director for rejection.

C. OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

Revised Federal lands regulations (30 CFR Parts 740-746) were published on February 16, 1983, in the Federal Register. Two major changes are contained in the new regulations. First, the regulations provide that upon approval of a regulatory program governing surface coal mining and reclamation operations on non-Federal lands, certain provisions of that program are applicable to mining on Federal lands within the State. This especially simplifies situations where single operations involve mixed Federal and non-Federal lands because only one regulatory program would apply.

The second principal change accomplished by the revised regulations is that States with Section 523(c) cooperative agreements are given responsibility for issuing permits under the Surface Mining Control and Reclamation Act of 1977 (SMCRA). OSM's final rules draw a clear distinction between the Mineral Lands Leasing Act (MLA) and SMCRA. The revisions recognize that the MLA applies only to leased Federal coal and that the mining plan which the Secretary approves only applies to federally-owned coal and not to lands where only the surface is federally-owned. Thus, actions with respect to compliance with SMCRA are delegable to States, with the exception of oversight under a cooperative agreement, while the MLA requirements are not delegable and are retained by the Secretary.

Other changes to the Federal lands program minimize or eliminate duplicative, counter-productive, and burdensome regulations and allow the States a greater role in the regulation of surface coal mining and reclamation operations on Federal lands.

III. MANAGEMENT, SUPERVISION, AND ENFORCEMENT

The BLM, MMS, GS, OSM, and FWS carry out a number of the requirements of the Federal coal program in FY 1983. Additional responsibilities relating to Federal coal leasing are carried out by agencies outside the Department of the Interior (DOI), particularly by the U.S. Forest Service and the Department of Justice.

A. BUREAU OF LAND MANAGEMENT

The BLM serves as the focal point for conducting DOI's coal policy review and is responsible for assuring interagency coordination for implementing the Federal coal program. The BLM is also DOI's key point of contact for State and local governments, industry, environmental groups, and other Federal agencies concerned with the management of Federal coal. The BLM's responsibilities in the Federal coal program include preparing land use plans or, where Federal interests are not large enough to justify a plan, a land use analysis, both of which include surface owner consultation and application of the unsuitability criteria. The BLM is responsible for estimating both the quantity and quality of Federal coal, delineating potential lease tracts, and evaluating the economic value of coal resources for lands proposed for leasing. The BLM also participates in selecting and recommending to the Secretary the tracts to be offered for lease, as well as preparing analyses of those tracts and the regional coal lease sale environmental impact statements. In addition, the BLM processes coal lease applications and coal exchanges, approves the formation of logical mining units (LMU's) and exploration plans, and monitors coal production from Federal coal leases. The BLM is also responsible for the enforcement of the MLA requirements for exploration and mining operations.

Land Use and Activity Planning

NOTE: All reference to future land use and activity planning steps are for planning purposes only. All land use planning steps are under review in light of the Office of Technology Assessment (OTA) report on the Bureau's planning process.

The first two major steps for coal leasing in the Federal coal program are land-use planning by the surface management agency and activity planning guided by the regional coal teams (RCT's). Land use plans are generally either Management Framework Plans (MFP's) or Resource Management Plans (RMP's). Prior to the adoption of the 1979 rules on planning, programming, and budgeting for public lands and resources (43 CFR 1600), all land use plans were MFP's. The rules now require that all new land use plans be RMP's. Decisions resulting from the land use planning process identify resource uses, including lands acceptable for further consideration for leasing.

During FY 1983, the BLM sold coal tracts via regional sales covering 12,267 acres containing approximately 0.6 billion tons of recoverable Federal coal reserves. The results of these sales are given in Table 1 and Appendix A, Tables A-1 to A-3.

TABLE 1

RESULTS OF REGIONAL COAL LEASE SALES HELD DURING FY 1983

State (Region)	Sale Date	High Bidder	Tract Name	Serial Number	Acres	Recoverable Reserves (Mil.Tons)	Royalty Rate (Percent)	Bonus Bid (\$/Acre)
North Dakota (Fort Union)	9/14/83	Baukol Noonan, Inc.	Center	M59116	670	13.90	12.5	100.00
	9/14/83	Missouri Valley Properties	Renner	M59118	5,742	77.80	12.5	110.00
	9/14/83	Falkirk Mining Co.	Underwood	M59119	679	4.80	12.5	110.00
Wyoming (Powder River)	10/15/82	Texas Energy & NW Mutual	Rocky Butte	W78633	4,856	445.00	12.5	4,600.00
	10/15/82	Wyodak Resources	Fortin Draw	W78630	320	26.60	12.5	4,225.10

NOTE: Does not include tracts which did not receive any bids or which had all bid(s) rejected.

SOURCE: U.S. Department of the Interior, Bureau of Land Management, Office of Resource Evaluation and Program Development, Automated Coal Lease Data System, September 30, 1983.

Powder River - A follow-up sale to the Round 1 regional coal sale was held for the Powder River region on October 15, 1982. The two tracts offered received acceptable bids in the second sale. These two tracts contain 471.6 million tons of recoverable coal reserves on 5,176 acres. See table 1 for details of the tracts sold. Leases for these two tracts were issued in FY 1983.

Completion of all preparatory steps including consultation with the involved Governors could allow a second round regional coal lease sale. No further sales will be held until new procedures are developed. The Secretary set a regional coal leasing level of 1.2 to 4.85 billion tons of recoverable Federal coal on April 29, 1983, for use in the regional environmental impact statement (EIS) (see table 2). The Powder River Regional Coal Team (RCT) delineated 20 tracts in Wyoming and 11 tracts in Montana. Seven of the Wyoming tracts and four of the Montana tracts had previously been delineated and were "carried over". These delineated tracts were subject to a site specific analysis and only those acceptable were further considered. in the EIS for possible leasing.

A total of 22 possible coal lease tracts have been delineated, ranked, and selected for study under six leasing scenarios. A draft EIS evaluating the possible effects of the six leasing options was released in early 1984.

Green River - Hams Fork - No regional coal sales were held for the Green River-Hams Fork region in 1983. Twenty-four tracts were ranked and selected for leasing alternatives at the January 11, 1983, RCT meeting. The five alternatives selected by the RCT for study in the regional coal EIS range from no action to leasing all 24 tracts, or about 990.7 million tons of recoverable Federal and non-Federal coal. One of the alternatives falls within the leasing level of 500 to 700 million tons of recoverable Federal coal adopted by the Secretary in January 1983 (see table 2).

The Draft Green River-Hams Fork Regional Coal EIS II was published in early August 1983. A RCT meeting was held on October 11, 1983, to review the delineated tracts. Of nine previously delineated tracts, seven were carried forward for further consideration.

Southern Appalachian - The land use analysis for the Alabama Subregion of the Southern Appalachian Region was updated in 1982 in preparation for a second round of Federal coal leasing. No regional coal sales were held in 1983.

TABLE 2

FACTORS IN ACTIVITY PLANNING
(Recoverable Reserves)

NOTE: This information is for planning purposes only.

Region	Preliminary <u>1/</u> Leasing Level (Billion Tons)	Expression of <u>2/</u> Leasing Interest (Billion Tons)	Reserves Available <u>3/</u> for Leasing (Billion Tons)
San Juan River	0.3 - 0.4	0.75	1.09
Uinta-SW Utah	.6 - .8	1.52	0.73
South Appalachian	.042 - .117	--	0.12
Green River- Hams Fork	0.5 - 0.7	0.9 - 1.5	1.0
Powder River	1.2 - 4.85	2.5 - 5.9	7.3

1/ A leasing level is established in each region prior to drafting of the regional EIS. The leasing level establishes a range in which the proposed action alternative of the EIS must fall. The leasing level is not the decision on how much coal will be offered for lease. The decision on the lease offering is made after the EIS is completed, just prior to the lease sale.

2/ Tonnage figures should be viewed as rough estimates. Many expressions of interest received by the Department do not indicate exact tonnage the company is interested in leasing.

3/ Tonnage figures are estimates of the reserves that are available for leasing following tract delineation.

SOURCE: U.S. Department of the Interior, Bureau of Land Management, Office of Resource Evaluation and Program Development, September 30, 1983.

The RCT ranked 16 delineated tracts and adopted four leasing alternatives for evaluation in a second round regional coal EIS. Of the four alternatives selected, two fell within the Secretary's leasing level of 42 to 117 million tons of recoverable Federal coal (see table 2). A third alternative exceeded the leasing level while a fourth option considered no new leasing (no action).

A Southern Appalachian Regional Coal draft EIS Round II was filed with the Environmental Protection Agency (EPA) June 24, 1983. Public hearings to receive comments on the draft EIS were held in Tuscaloosa, Alabama, in August. The final EIS, which reflects public comment on the draft EIS, was filed with EPA December 7, 1983.

The decision on the need for a sale and the tracts to be offered will follow consultation with the Governor of Alabama and acceptance of revised coal lease sale procedures.

Uinta-Southwestern Utah - RCT meetings were held in January and July 1983. The DEIS for Round 2 regional leasing was released in May 1983. Public comments were received and reviewed for preparation of the final EIS. One of the 27 tracts analyzed was sold in an emergency lease sale in August. Title to Federal coal in a second tract was transferred to the State of Utah. The remaining 25 tracts were to be reviewed by the RCT for final recommendations to the Secretary.

Work continued on land use planning in Utah and Colorado for consideration in a subsequent round of coal leasing.

San Juan River - Based on further analysis, the leasing target was changed from a range of 450 to 650 million tons to a range of 300 million to 400 million tons of recoverable coal reserves for analysis in the EIS (table 2). A revised draft EIS on the proposed competitive leasing and the preference right lease applications (PRLA) was filed with EPA on September 30, 1983. The final EIS was filed with EPA on April 12, 1984.

Land use planning was started for areas under consideration in Round 2. These include the San Juan National Forest and the BLM San Juan Resource Area in southwestern Colorado and the San Augustine Resource Area in New Mexico.

Fort Union - Activity planning concluded for the first round of leasing during FY 1983 with the selection of 13 tracts to be offered for competitive lease sale, 10 in North Dakota and 3 in Montana. Required surface owner consents were submitted on eight of these, which were offered for lease sale on September 14, 1983. Initially four of the five tracts receiving bids, received acceptable bids. To avoid an imminent bypass situation the bid on one tract was subsequently rejected and the 1.8-million-ton tract reoffered under the emergency leasing provisions. The other three tracts that received acceptable bids contain 96.5 million tons of recoverable coal reserves. See table 1 for details of the September 14, 1983, sale.

Land use planning for Round 2 continued on the portions of the region in North Dakota. Land use planning in Montana was completed and a call for expressions of interest was issued in October 1983. Six tracts in Montana, including two from the Fort Union Round 1 sale were selected for additional study and possible leasing in the Round 2 sale.

Leasing on Application

The coal leasing regulations at 43 CFR 3425 provide for an application process through which the Department will consider holding Federal coal lease sales apart from the regional leasing process. Essentially, there are two types of applications, those for Federal coal located outside of Federal coal production regions (see Appendix B) and those for emergency situations. Emergency lease sales are held when the coal applied for is needed within 3 years to meet contractual obligations or to prevent bypass. Table 3 contains the results of leasing by application sales held during FY 1983.

Lease Management

Under the original 1920 Mineral Lands Leasing Act, coal leases were issued for indeterminate periods subject to readjustment at the end of every 20-year period. As leases become subject to readjustment under FCLAA, the leases are readjusted to conform to the Act. The terms and conditions of 42 leases were adjusted during FY 1983. Six coal leases were modified to include additional lands and 14 applications for modifications were being processed at the end of FY 1983. (See Table A-7 in Appendix.)

Exchanges Involving Coal

Statutorily authorized coal lease exchanges pending before the Department at the end of FY 1983 were:

Public Law 95-554, enacted in October 1978, which authorizes the Secretary to issue coal leases on other lands in Wyoming in exchange for the relinquishment of all or portions of nine coal leases crossed by Interstate Highway I-90; and

Public Law 96-475, enacted in October 1980, directs the Secretary to exchange two Federal coal leases in New Mexico held by Sunbelt Mining Company for other Federal coal leases within a specified area of the State. The two existing leases are located within the Bisti Wilderness Study Area. A recommendation is before Congress to establish the Bisti Wilderness study area as a wilderness area.

The nine leases affected by the I-90 exchanges are held by six lessees. The exchange of coal leases with one of the lessees was completed in FY 1982. The exchange of coal leases was completed for another lessee, Wyodak Resource Development Corporation, during FY 1983. Under the terms of the agreement leading to the exchange, Wyodak relinquished portions of two leases, totalling 240 acres, for a 240-acre lease adjacent to its existing mine in Campbell County, Wyoming. During FY 1983 the Department and the other four lessees were in various states of negotiation.

During FY 1983 the Department and Sunbelt Mining Corporation, the coal lessee affected by PL 96-475, were negotiating on the value of the coal resource being relinquished. The exchange action is expected to be completed in FY 1984.

TABLE 3

RESULTS OF LEASE BY APPLICATION SALES HELD DURING FY 1983

State	Date of Sale	High Bid	Serial Number	Acreage	Recoverable Reserves (In Mil. Tons)	Royalty Rate (Percent)	Bonus Bid (\$/Acre)
Colorado (Uinta-SW Utah)	6/14/83	Perma Mining Corp.	C34886	90	2.10	12.5	617.28
New Mexico (San Juan)	12/14/82	Carbon Coal Co.	NM52786	160	.48	12.5	100.00
Oklahoma	10/26/82	Farrell Cooper Mining Co.	NM50936	1,170	3.38	12.5	112.75
	12/14/82	HFCO	NM50410	98	.09	12.5	101.00
Utah (Uinta-SW Utah)	10/8/82	Natomas Coal Co.	U49332	642	4.75	8.0	2,221.46
	8/12/83	AMCA Coal Leasing Inc.	U52341	120	.07	8.0	1,166.67

NOTE: Does not include sales for which bids were rejected.

SOURCE: U.S. Department of the Interior, Bureau of Land Management, Office of Resource Evaluation and Program Development, Automated Coal Lease Data System, September 30, 1983.

In addition to these statutorily authorized coal lease exchanges, the Department processed four fee coal exchanges in FY 1983 under section 206 of the Federal Land Policy and Management Act. Two of these, the Meridian and Teton exchanges, were completed in FY 1983, while the other two are pending a decision.

In November 1981, Meridian Land and Mineral Company, a subsidiary of Burlington Northern, Inc., submitted a proposal to exchange fee title to some of its coal-bearing lands to the BLM for fee title to some of BLM's coal-bearing lands. The purpose of the proposal was to consolidate land and resource ownership within an area with a checkerboard ownership pattern.

In April 1983 the decision was made to approve the exchange proposal. The result of the exchange was two tracts, each containing 400 million tons of coal. The exchange became final in September 1983, when the Department issued a decision dismissing protests on the exchange notice.

In December 1981 Rocky Mountain Energy Corporation, a subsidiary of the Union Pacific Corporation, filed a proposal to exchange private lands in the Grand Teton National Park (portions of Laurence Rockefeller's J-Y Ranch) for coal-bearing public lands in the Corral Canyon area of Wyoming. The purpose of the proposal was to acquire private inholdings within a national park to preclude development and land uses incompatible with checkerboard coal at Corral Canyon.

Titles were exchanged between the Department and RME on June 24, 1983. As a result of the exchange, the BLM received 1,221 acres of land, which it transferred to the National Park Service, and RME received 1,190 acres of coal-bearing lands. To equalize values of the lands exchanged, RME is paying about 1.5 million dollars to the BLM.

Work continued on the other coal fee exchange proposals involving lands located in the Wyoming portion of the Green River-Hams Fork region and the New Mexico portion of the San Juan River Region.

Two statutes authorize credits against payments due the Federal Government in lieu of exchanges. Work on the certificates of bidding rights authorized to Montana Power Company under Public Law 96-476, the Rattlesnake National Recreation Area and Wilderness Act of 1980, neared completion during FY 1983. In early FY 1984 (October 31, 1983), President Reagan signed into law an amendment to the Rattlesnake Act, which granted rights as monetary credits. A certificate of bidding rights in the amount of \$14.3 million was issued to Montana Power Company on November 19, 1983.

Public Law 96-466, enacted in January 1983, established the Cranberry Wilderness Area in the Monongahela National Forest, West Virginia. The Act directed the Secretary, among other things, to acquire all non-federally-owned coal deposits and other mineral interests within the Area and to give their owners monetary credits in exchange. These credits can be used as credits against payments due the Federal Government on mineral leases or other Federal property competitively obtained. Negotiations between the Department and the private party affected, CSX Corporation, began during FY 1983 on the value of CSX's land and resource holdings within the Cranberry Wilderness Area.

Preference Right Lease Applications

Prior to the FCLAA, as a result of activity undertaken under a prospecting permit, an entity could submit a preference right lease applications (PRLA) and, if the Secretary determined that the entity had found commercial quantities of coal, receive a noncompetitive preference right lease. The FCLAA abolished preference right leasing except for PRLA's that resulted from prospecting permits issued on or before August 4, 1976. As of September 30, 1983, there were 133 PRLA's pending (see table 4 for details). During FY 1983 three preference right leases were issued from four PRLA's located in the States of Alaska, Utah and Wyoming.

In June 1983, BLM headquarters staff reviewed field-prepared environmental documents for compliance with NEPA and Interior policy and procedures. This review culminated in a decision by the BLM Director to prepare EIS's on an area or region-wide basis for most pending PRLA's; only 15 PRLA's were exempted as having been adequately considered and discussed in previous NEPA documents.

Coal Economic Evaluation

Coal economic evaluation activities have been carried out by BLM District, State and Regional teams in the Eastern area, the Northern Plains and Rocky Mountain area, the Central Plains and Rocky Mountain area, and the South-western area. There was little coal-related economic evaluation activity in the Western area.

In the Eastern area activities have extended to such things as: preliminary evaluation of the coal in Cranberry Wilderness area for private owner compensation purposes; Alabama tract delineation assistance; lease sale bid adequacy determinations; and price determination for trespass coal cases. Similarly the Northern Plains and Rocky Mountain area economic evaluation activities included Powder River second sale and Fort Union lease sale tract appraisals; technical assistance to Congressional and the Commission on Fair Market Value Policy for Federal Coal Leasing coal lease sale deliberations; coal royalty reduction evaluations; coal fee exchange evaluations; economic evaluation assistance to the Bureau of Indian Affairs in an Indian Nations boundary dispute case (Crow vs. Northern Cheyenne); and a variety of similar activities.

TABLE 4
PRLA'S ISSUED, WITHDRAWN OR REJECTED DURING FY 1983
BY STATE

State	Number of PRLA's 10/1/82	Acres	PRLA's Issued	Acres	PRLA's Withdrawn or Rejected	Acres	Number of PRLA's 9/30/83	Acres
Alaska	3	7,680	1	2,560	--	--	2	5,120
Colorado	17	32,671	-	--	--	--	17	32,671
Montana	4	14,673	-	--	--	--	4	14,673
New Mexico	26	75,509	-	--	--	--	26	75,509
Utah	16	53,472	1	2,563	3	11,360	12	39,549
Wyoming	<u>81</u>	<u>157,196</u>	<u>2</u>	<u>7,638</u>	<u>7</u>	<u>9,200</u>	<u>72</u>	<u>140,358</u>
Total	147	341,201	4	12,761	10	20,560	133	307,880

SOURCE: U.S. Department of the Interior, Bureau of Land Management, Office of Resource Evaluation and Program Development, Automated Coal Lease Data System, September 30, 1983.

In the Central Plains and Rocky Mountain regions activities again included lease modification, royalty reduction, lease evaluation, Federal Land Policy and Management Act (FLPMA) Section 206 and 209 exchanges and conveyances, and emergency lease and State indemnity economic evaluations. Finally, in the Southwest region work was in progress for: the San Juan River regional and other smaller lease sales; the pre-1976 PRLA tracts lease commerciality determinations; the proposed Sunbelt Mining Company Exchange and other exchanges; the Oklahoma royalty reduction applications; and the reevaluations of portions of the Camp Swift Texas lignite reserve for negotiation purposes.

Exploration Plans

The BLM receives and approves all exploration plans for unleased Federal coal and leased Federal coal prior to commencement of mining operations within an approved SMCRA permit area. Exploration plans must be consistent with the terms of the license or lease, contain the elements addressed in the regulations (43 CFR 3482.1(a)), and certain reclamation provisions. Exploration plans may be modified as exploration proceeds. During FY 1983, 43 exploration plans (includes major modifications) were processed by BLM and exploration operations included in these plans were monitored for plan compliance.

Resource Recovery and Protection Plans

The BLM receives all resource recovery and protection plans (R2P2's) for mining operations of Federal coal and recommends a Departmental position regarding R2P2 approval. Prior to commencement of any mining operation on Federal coal an R2P2, among other requirements, must be approved. The R2P2 must address the MLA requirements contained in the regulations (43 CFR 3482.1(c)), must be consistent with the lease terms, and may be modified as mining proceeds. The reclamation aspects of Federal coal mining are the responsibility of OSM (or the SRA if there is an approved State program). During FY 1983 25 R2P2's were processed.

Logical Mining Units

The 1982 coal regulations removed the provision which designed all Federal leases to be logical mining units (LMU's). The BLM receives and approves all LMU applications. With the 1982 regulatory change, lessees are carefully weighing the advantages of being included in an LMU. Advantages include provisions to allow production occurring from anywhere within the LMU to be credited toward the diligent development or continued operation requirements of any lease within the LMU. One potential disadvantage of having a lease included in an LMU is the 40-year mine out requirement of the MLA for LMU's. During FY 1983 one logical mining unit was approved (in Alabama).

Diligent Development and Continued Operation

With the passage of the FCLAA, all new leases and old leases upon readjustment or modification to add acreage and/or Federal coal reserves are required to meet the diligent development and continued operation (DD-CO) requirement detailed at 43 CFR 3483. The BLM determines the recoverable coal reserves figure upon which the one (1) percent commercial quantities amount is set. As part of the operational responsibilities, BLM enforces the DD-CO requirements for 282 Federal coal leases. This responsibility includes the calculation of the one (1) percent commercial quantities amount, tracking lease issuance, readjustments and modifications, and verifying reported production. The remaining 350 Federal coal leases are not yet subject to the DD-CO requirements. The 350 unreadjusted leases include 15 leases which are appealing their readjustment. By 1990, it is projected that more than 92 percent of these 350 leases will have been readjusted.

Production Verification

The level of production verification is greatly expanding for the BLM as Federal coal royalty revenues increase. Royalty revenues are increasing due to increasing Federal production and lease readjustments from a cents-per-ton to an ad valorem basis.

Production and royalty reports are sent by lessees to the Minerals Management Service-Royalty Management (MMS-RM). MMS-RM sends copies of these reports to the appropriate BLM field offices. The BLM verifies the production which was reported, and upon which royalty was paid, corresponds to the production which can be verified through onsite inspection of ongoing operations. Discrepancies in the two instances are reconciled between the BLM, MMS-RM, and the operator/lessee.

During FY 1983 the production from Federal and Indian lands was 133.9 million tons. This compares with 130 million tons in FY 1982.

B. MINERALS MANAGEMENT SERVICE

Following the BLM-MMS onshore minerals merger (discussed in Section II, "Changes in the Federal Coal Management Program") the MMS responsibilities in the Federal Coal Program focus upon the collection of royalties, rents and bonuses from Federal coal lessees.

Federal Coal Royalties Collection

The MMS is responsible for collecting the royalty payments for Federal coal leases. During FY 1983, 56.7 million dollars of Federal royalties were collected on coal production valued at slightly over 1.55 billion dollars (see tables 5 and 6). This represents a one percent increase in production and a seven percent decrease in royalty payments from FY 1982. The decrease in royalty collections is due to production of lower priced coal and production from leases with lower royalty rates.

On public domain lands, with the exception of Alaska, 50 percent of the royalties is returned to the State Treasuries, 40 percent is placed in the Federal reclamation fund that was established by the Reclamation Act of 1902, and 10 percent remains in the U.S. Treasury's miscellaneous receipts. Ninety percent of the royalties from Federal coal leases in Alaska is returned to the Alaska State Treasury.

The Federal royalties amounted to an average of 3.7 percent of the production value of the coal in FY 1983. The difference between this average percentage and the current statutory minimum royalty requirement of 12.5 percent for surface-mined coal and 8 percent on underground-mined coal on new and readjusted leases results from production taking place on leases issued before the conversion from a fixed cents-per-ton royalty to a percent ad valorem royalty provision. The fixed cents-per-ton royalty provisions, which were frequently set at between 15.0 and 22.5 cents per ton, cannot be changed until lease readjustment.

C. GEOLOGICAL SURVEY

The major coal-related activities of the GS during FY 1983 were activities related to the Coal Exploratory Program, National Coal Resources Data System (NCRDS), and the Coal Hydrology Program.

The Coal Exploratory Program consists of mapping, establishment of local and regional stratigraphic and correlation networks, and coal resource assessments done on a regional level as well as those on a more detailed local level. Much of the data derived from these assessments and studies are entered into the NCRDS, a computer-based resource data system, and most of the stored data are used directly to support the Federal coal program. The Coal Hydrology Program consists of hydrologic data collection, areal studies, and research associated with the availability of water to support increased coal development and the impacts of such development on the hydrology. A description of these FY 1983 activities is presented in this section.

TABLE 5

PRODUCING LEASES, PRODUCTION, PRODUCTION VALUE AND ROYALTY PAYMENTS
BY STATE: FY 1983

State	Producing Leases		Production in FY 1983 Thousand Tons	Production Value (Thousand Dollars)	Royalty Value (Thousand Dollars)
	Number	Acreage			
Total	126	217,448	105,449	1,550,462	56,667
Alabama	1	2,338	105	4,390	176
Colorado	33	33,479	10,795	252,840	12,270
Montana	11	29,347	11,574	172,086	13,682
New Mexico	4	10,031	2,290	41,420	5,001
North Dakota	6	6,879	2,253	10,961	2,106
Oklahoma	3	4,576	101	3,967	606
Utah	35	42,307	10,124	272,953	7,612
Washington	1	241	231	4,615	46
Wyoming	32	88,250	67,976	787,230	15,168

NOTE: Details may not add to totals due to rounding. The statistics represent production and royalty reported during FY 1983 and adjustments made during FY 1983 for prior periods. The FY 1983 royalty management statistics may not represent actual production achieved in FY 1983 or the royalty accrued on that production due to adjustments for previous years. This data is unpublished.

SOURCE: U.S. Department of the Interior, Minerals Management Service, Royalty Management Office.

TABLE 6

PRODUCING LEASES, PRODUCTION, PRODUCTION VALUE AND ROYALTY PAYMENTS
BY REGION: FY 1983

Region	Producing Leases		Production in FY 1983	Production Value	Royalty Value
	Number	Acreage	Thousand Tons	(Thousand Dollars)	(Thousand Dollars)
Total	126	217,448	105,449	1,550,462	56,667
So. Appalachian	1	2,338	105	4,390	176
Fort Union	6	6,879	2,253	10,961	2,106
Green River- Hams Fork	29	55,047	12,715	282,177	8,441
Powder River	28	73,861	74,386	851,824	28,588
San Juan River	6	10,371	2,365	43,193	5,142
Uinta-SW Utah	51	63,335	13,252	348,747	11,475
Other	5	5,617	373	9,170	739

NOTE: Details may not add to totals due to rounding. The statistics represent production and royalty reported during FY 1983 and adjustments made during FY 1983 for prior periods. The FY 1983 royalty management statistics may not represent actual production achieved in FY 1983 or the royalty accrued on that production due to adjustments for previous years. This data is unpublished. Data in this table is used in figure 1, page 2.

SOURCE: U.S. Department of the Interior, Minerals Management Service, Royalty Management Office.

Coal Exploratory Program

Regional Geologic and Coal Resource Assessment Activities - Regional assessment activities include preparing coal resource bedrock and surficial geologic maps of coal lands and associated areas; conducting engineering-geologic hazard, coal quality, and geochemistry studies; and assessing coal resource. Data derived from these studies are compiled into folios of regional maps at the scale of 1:100,000 for acres of priority interest for Federal coal lease sales and scientific information needs. In FY 1983, regional geologic studies and coal resource assessment were underway in all coal basins west of the 100th Meridian and in the Appalachian and Gulf Coast Provinces. In addition, eight State geologic agencies were supported by the GS in appraisal of their coal deposits and concerns related to coal quality, production, and utilization. In support of the Federal coal program, emphasis is placed on completing the coal folios and topographic regional base map coverage for priority areas in the western Federal coal regions.

Regional coal resource assessments are carried out on a continuing basis from year to year and require up to three years to complete because of the size of the map area (1:100,000-scale map), the geologic complexity of the area, and other constraints. During FY 1983, these studies provided twelve bedrock geologic maps, five surficial geologic maps and several geologic hazard maps. Coal quality studies of lignite in Louisiana and Missouri and subbituminous coal studies in Wyoming, New Mexico, Colorado, and Montana were continued.

Coal Resources - Coal quantity and quality assessments show the distribution and continuity of the coal resources as well as the variations in heating value, impurities, moisture, ash content, and trace element concentrations. Coal resource mapping in fifty 1:100,000-scale quadrangles was in progress in FY 1983. In addition, there was bedrock, surficial, and engineering mapping underway in forty 1:100,000-scale areas in FY 1983.

Topical Reports - Numerous topical reports and maps on research activities that are supportive of the work of the coal program have been prepared and published by the GS. During FY 1983, fifty reports on topical investigations supportive of the program were prepared.

National Coal Resource Data System - Approximately 30,000 drill holes and coal outcrop records were entered into the NCRDS during FY 1983. The largest contribution came from cooperative programs with eighteen State geologic agencies. In addition, more than 10,000 coal resource estimate records and 1,000 geochemical analysis records were entered into the system. The NCRDS computer calculations for coal resources for various quadrangles of the coal folio program and in State cooperative areas will continue in FY 1984.

Coal Hydrology Program

Water Resource Data Activities - In FY 1983, the GS collected data at about 175 continuous recording sites and 500 synoptic measurement sites in coal areas nationwide. Water data collected by the GS and other Federal, State, and local agencies were indexed by the National Water Data Exchange (NAWDEX) managed by the GS Water Resource Division. These indexed data have been used to produce a five volume "Index to Water Data Activities in Coal Provinces of the United States." The fifth volume, covering the Pacific Coast and Alaska Provinces, was printed in FY 1982. These printed indexes are available free and contain information about surface-water quantity and quality, ground water quality, and areal investigations and other data-collection activities.

D. OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

The primary objective of the OSM is to protect society and the environment from the adverse effects of surface coal mining operations and to do so under conditions of expanded coal production consistent with the Nation's need for energy. The OSM's principal role relative to Federal lands are to: (1) define policy and promulgate rules establishing performance standards and program administration processes; (2) review and process permit applications and mining plans, including such activities as are necessary to NEPA compliance, and recommend action on mining plans to the Secretary; (3) in States with approved State regulatory programs under Section 503 of SMCRA, negotiate Federal/State cooperative agreements for State regulations on Federal lands pursuant to Section 523(c) of the SMCRA; (4) in the absence of the Federal/State cooperative agreement, carry out the permitting, inspection and enforcement, and other functions of the regulatory authority as set forth in SMCRA; (5) provide oversight of State administration of the regulatory requirements under the terms of an approved Federal/State cooperative agreement; and (6) administer a program to designate Federal lands unsuitable for surface coal mining under the petition process specified in Sections 522(a) and (c) of the SMCRA.

SMCRA Implementation

The environmental protection provisions of the SMCRA have been enacted in two phases in accordance with Sections 501 and 502 -- the initial program and the permanent program. The initial program has been in effect since December 13, 1977, when the Secretary promulgated interim program rules (30 CFR Parts 710-725 and 795). The permanent program becomes effective in each State upon Secretarial approval of a State program or implementation of a Federal program for the State. Where a State program is approved, or conditionally approved, the State rather than the Federal Government becomes the primary regulator of activities subject to the SMCRA. By the end of FY 1983, twelve States had received full program approval and thirteen States had received conditional program approval.

with only very minor changes required. In addition, Federal programs were approved for Idaho, Massachusetts, Michigan, North Carolina, South Dakota, Rhode Island, Washington, and Georgia. During FY 1984 the Department partially rescinded approval of the Tennessee and Oklahoma programs. Of these, only the States of Washington and Georgia have active coal mining at this time.

Petitions to Designate Areas Unsuitable for Surface Coal Mining

The Red Rim petition was submitted by the National Wildlife Federation and the Wyoming Wildlife Federation on May 10, 1982, and was amended to include Federal lands on September 27, 1982. The 19,452 acre petition area is located in South-Central Wyoming and is comprised of both Federal (9,729 acres) and private (9,723 acres) land on a checkerboard land ownership pattern. The petition area contains no leased Federal coal, but the area approximately coincides with the proposed Red Rim Federal coal lease tract. The petition alleges that mining would adversely affect fragile land that is valuable habitat for pronghorn antelope, and the reclamation of the land is not technologically and economically feasible. A proposed settlement agreement among the petitioners and petition intervenors, and the preparation of an environmental impact statement has delayed a final decision on the petition until 1984.

The Front Range Airport petition was filed by the Board of County Commissioners, Adams County, Colorado, and the Front Range Airport Authority. The petition area covers 160 acres of private surface underlain by Federal coal. Petitioners allege that surface coal mining will be incompatible with State or local land use plan programs. A final decision on the petition is expected in early 1984.

Federal/State Cooperative Agreements

During FY 1983, the Secretary entered into permanent program cooperative agreements with the States of Colorado, North Dakota, and New Mexico. Proposed cooperative agreements with the States of Ohio, Virginia, and West Virginia were published in the Federal Register and final versions of cooperative agreements with Ohio and West Virginia are being finalized.

Mining Permits/Mining Plan Review

By late FY 1982 most of the States having Federal lands had received approval for their State programs, triggering the applicability of the Federal lands regulations. As a result, OSM received a large number of permit application packages for first-time permits to mine on Federal lands. At the beginning of FY 1983, OSM had 79 mining plans pending review. During the year, 20 more were received and 22 plans were approved. Seventy-seven mining plans were carried over to be evaluated during FY 1984.

E. FISH AND WILDLIFE SERVICE

The primary objective of the FWS is to ensure that nationally important fish and wildlife resources receive adequate consideration in the development of the Nation's coal resource. Emphasis is placed on the data gathering and analysis to identify potential areas of conflict and on assistance in developing alternatives that avoid or minimize losses or that provide opportunities for enhancement.

Most of the FWS activity in the Federal Coal Program consists of providing technical assistance to two sister Interior agencies, the BLM during the planning phase of Federal coal leases and the OSM during mining and reclamation operations as well as during the restoration of abandoned mine lands (AML).

The FWS conducts operational as well as research and development efforts on fish and wildlife impacted by coal development. Operational activities are implemented by its Ecological Services Offices located in the regions. Data support is provided by the Office of Migratory Bird Management and the National Wetlands Inventory.

Research and development activities are conducted by various Divisions of the Service (i.e., Division of Biological Services, Wildlife Research, Cooperative Research Units). Research and development support is furnished by the Western Energy and Land Use Team (WELUT) in Fort Collins, Colorado, and other elements of the Service's Research program.

Operations

A new (revised) OSM/FWS Memorandum of Understanding (MOU) was signed in February 1983. The MOU establishes procedures for cooperation and coordination in regard to the fish and wildlife aspects of coal surface mining regulations and reclamation and the restoration and abandoned mine lands under the provisions of the SMCRA administered by OSM and the States. Work continued on developing agreement between OSM and the FWS on guidelines and procedures for OSM's oversight of State coal programs.

The FWS provided extensive technical comments to OSM on the endangered species aspects of their DEIS of June 1983, Funding for State and Indian Reclamation Program Grants under the Title IV of SMCRA.

Activity by the FWS at the field level in the coal program is concentrated in three Regions: Region 2, Albuquerque; Region 4, Atlanta; and Region 6, Denver. Some activity also occurs between OSM, and the FWS, and the States in connection with State Regulation of coal mining and the AML program in Region 3, Twin Cities and Region 5, Newton Corner, Massachusetts.

During FY 1983, Region 2 commented on New Mexico's proposed changes to their State regulatory program, reviewed four mine plans and two AML projects. In Texas, State mining permits were reviewed with the appropriate State agencies and technical assistance was provided routinely to regulatory authorities and the coal industry on recommended fish and wildlife studies, BTCA practices for fish and wildlife protection, and regulatory compliance procedures. In Oklahoma the FWS provided OSM one species list (informal Section 7 consultation); commented on five AML projects and two mine plans and provided a letter on the approved Oklahoma Surface Mining Program outlining deficiencies found in eight permit applications.

In addition, Region 2 participated as an ex-officio member of the San Juan Regional Coal Team and provided comments on preliminary and draft San Juan Regional EIS's. Several briefings and meetings were held on Unsuitability Criteria and Endangered Species matters relating to the San Juan Region coal activities.

Region 4 participated in all meetings of the RCT for the proposed leasing of Federal coal in northern Alabama. Technical assistance was provided to the Bureau of Land Management (BLM) in: (1) ranking and biological evaluation of all proposed lease tracts, (2) provision of extensive review and recommendations on the EIS, (3) participation in a field inventory for the endangered red-cockaded woodpecker, and (4) transfer of technical information and documents on species of high Federal interest, sensitive habitats, and reclamation methodologies.

Assistance was also provided to OSM on proposed changes to State regulatory and AML programs in Alabama, Arkansas, Kentucky, and Tennessee, and on several Federal coal permits in Georgia and Kentucky.

Region 6 participated as an ex-officio member of the Uinta-Southwest, Fort Union, Powder River, and Green River-Hams Fork RCT and provided inventory data and other wildlife information for use in tract ranking and lease recommendations. Support was given BLM in their accelerated efforts to process PRLA's in the form of inventories, evaluations, and applications of unsuitability criteria. Reviews were completed for over 60 mine plans. Technical advice was provided to Federal agencies and industry on predesign consultations, location of power lines and roads, and work schedules to decrease impacts on wildlife. The FWS continued to supply wildlife habitat data to BLM for land use plans and activity plans.

Operational studies were continued in cooperation with the Service's Division of Law Enforcement to resolve surface mining--raptor conflicts.

The FWS and BLM formed a wetlands reclamation advisory committee to oversee the success of wetlands reclamation of the Falkirk Mine in North Dakota.

Inventory Data Collection:

Region 2 continued to inventory habitat use of proposed coal lease areas in New Mexico (26 PRLA's and 39 new tracts) for species of high Federal interest. Currently 44 nests (prairie falcons, golden eagles and ferruginous hawks) are being monitored for nesting activities and success. New inventory efforts are being initiated in BLM's San Augustine Coal Area (West-Central New Mexico) to determine potential habitat use by species of high Federal interest. Additional raptor surveys to determine if nests are active will be required during spring of 1984.

The Region continued to coordinate National Wetlands Inventory activities with BLM and other Federal agencies. Wetland inventory efforts have been initiated for the San Augustine Coal Areas (West-Central New Mexico) and the San Juan-Chaco Coal Area (Northwestern New Mexico). These efforts will be continued in FY 1984.

Region 4 using funds provided by BLM and OSM, continued to manage a computerized faunal base implementation project that is being developed by the Kentucky Department of Fish and Wildlife Resources. The data base is expected to be available for use by the end of FY 1984.

The Region has also worked cooperatively with BLM and OSM in identifying and prioritizing fish and wildlife information needs and studies. Important studies now under consideration include the use of abandoned mine entrances by endangered or protected bats and the collection and evaluation of data on the flattened musk turtle, which occurs within the northern Alabama Federal coal area and is currently being considered for listing under the Endangered Species Act. Other identified information needs include the completion of national wetland inventory products for all coal-development areas and the demonstration of reclamation technology for important wetland habitats such as riparian and bottomland forests.

Region 6 continued the development of wildlife data bases in cooperation with the States of Colorado and Utah. Data bases for all coal areas in Utah have been completed. Approximately 60 raptor nests near coal mines were monitored during FY 1983 in the Uinta-Southwest Coal Region. Nearly 300 miles of shoreline of Lake Powell and the Colorado - San Juan Rivers were surveyed for wintering bald eagles. Another 400 miles of survey were flown for peregrine falcons and known eyries near proposed and existing mines sites in the Uinta-Southwest Utah coal region. Nearly 9,000 square miles around the Colstrip mining area were surveyed for cliff nesting golden eagles and prairie falcons. Raptor surveys also were made in the Fort Union Coal Region.

Rapid Assessment Methods

Federal coal resources management requires rapid data analysis and display for multiple-use planning that reduces the conflict between coal development and the extensive fish and wildlife resources. Rapid Assessment Method (RAM)

is a combination of automated remote sensing inventory and geographic information system analysis and display tools that have been developed by the Service in cooperation with BLM to assist resource managers in evaluating development impacts.

In FY 1983, RAM data bases were completed by Region 6 and the Service's Western Energy and Land Use Team for the Yampa River-Danforth Hills area in Colorado, the McKenzie-Williams and Southwest Planning Units in North Dakota, and riparian habitat along the Missouri River in Montana. Low cost, broad area LANDSAT data bases were developed for northwestern Colorado, northeastern Utah, and the States of Wyoming and Montana. RAM data were used for unsuitability determinations in the Fort Union Coal Region.

F. DEPARTMENT OF AGRICULTURE - FOREST SERVICE

The USDA, through the FS, has land management planning responsibilities for lands under its jurisdiction. In addition, the Secretary of Agriculture may recommend stipulations to be included in a lease on FS lands, must consent to the lease terms before a lease for land in a National Forest can be issued, and must consent in the approval of mining and reclamation plans for Federal coal leases on FS lands.

The FS effort in FY 1983 included conducting land and resource management planning, participating in regional lease sales, and responding to lease applications, lease modifications, lease readjustments, exploration licenses, exchanges, PRLA's, mining permit applications, and trespass cases.

Land and Resource Management Planning - Draft Forest Plans for the San Juan, Medicine Bow, Manti-LaSal, Grand Mesa, Uncompahgre, and Gunnison National Forest in Colorado have been distributed for public review. The Forest Plans include a draft report on the application of the 43 CFR 3461 Unsuitability Criteria. A similar draft plan and unsuitability review for the White River National Forest in Colorado will be available in FY 1984. The FS continues development of plans for the Fish Lake, and Dixie National Forest in Utah.

Regional Coal Teams - Activity Planning - The FS participated as an ex-officio member of the Regional Coal Teams for the Green River-Hams Fork, San Juan, Uinta Southwestern Utah, and Powder River Federal Coal Regions. The FS participated in activity planning in the Powder River and Uinta-Southwestern Utah Federal Coal Regions.

Lease by Application - Lease applications responded to by the FS include:

<u>Location</u>	<u>Name</u>	<u>Status</u>
San Juan NF, Colorado	Emergency Lease	Completed
Ouachita NF, Arkansas	Triark	Completed
Wayne-Hoosier NF, Indiana-Ohio	Boyle Coal Co.	Completed
Shawnee NF, Illinois	Peabody Coal Co.	Pending

Exploration Licenses - The FS responded to 12 licenses in Utah and 3 in Wyoming.

Coal Exchanges - The FS is assisting DOI in processing an exchange in Wyoming authorized by P.L. 95-554, that involves land in Thunder Basin National Grassland.

Lease Readjustments - The FS is taking action on 6 lease readjustments in Utah and 2 in Wyoming.

Mining Permit/Mining Plan Review - The FS responded to mining proposals involving National Forest System Lands as follows:

<u>Location</u>	<u># Pending</u>	<u>Status</u>
Thunder Basin National Grassland, Wyoming	2	Completed
Thunder Basin National Grassland, Wyoming	1	Pending
Monongahela NF, West Virginia	3	Completed
Daniel Boone NF, Kentucky	6	Completed
Daniel Boone NF, Kentucky	4	Completed
Jefferson NF, Virginia	1	Completed
National Forests in Alabama	1	Completed
National Forests in Texas	1	Completed
Manti-LaSal NF, Utah	4	Completed

G. DEPARTMENT OF JUSTICE

Under Section 15 of the FCLAA, the DOJ must review all Federal coal leases before they are issued for potential violations of the anti-trust laws. The Department uses this information in writing the annual report, "Competition in the Coal Industry," which is required by Section 8 of the FCLAA. The DOJ is consulted on regional coal leasing level proposals and on changes to the coal regulations before they are promulgated. The DOJ also represents the government in coal trespass cases that are brought to court.

IV LITIGATION

A. BLM LITIGATION

1. Powder River Sale

Two lawsuits challenge the 1982 regional coal lease sale for the Powder River Region. In Northern Cheyenne Tribe v. Watt, Civil No. 82-116 (D. Montana), the Tribe asserts that the EIS done for the sale is deficient because of its alleged failure to discuss adequately the impacts of the regional leasing on the plaintiff's reservation. In National Wildlife Federation v. Burford, Civil No. 82-117 (D. Montana) the plaintiff groups challenge: (1) the pre-sale procedures, alleging that the land use plans underlying the sale acreage were formulated in violation of FLPMA planning standards and that the Secretary's rules (and resulting plans) on the treatment of reclaimability in the Federal lands review under section 522(b) of the SMCRA are legally deficient; and (2) the sale itself, alleging that the Department failed to receive fair market value for the lease tracts sold. The cases were originally filed in the U.S. District Court for the District of Columbia, where a motion for a restraining order against the lease sale was denied. On the government's motion, the cases were consolidated and transferred to the Federal court in Montana. The State of Wyoming and several lessees have intervened as defendants. The court heard argument in December 1982 on cross motions for summary judgment and motions to dismiss specific allegations. The court had not issued its decision by the end of the fiscal year.

2. Coal Leasing Rules

In Natural Resources Defense Council v. Burford, Civil No. 82-2763 (D.D.C.), eight groups have joined to challenge the July 1982 revisions to the July 1979 coal program rules. The suit seeks: (1) to enjoin implementation of the revised coal regulations; (2) to declare the revised regulations improperly issued; and (3) to enjoin any future coal lease sales until the reclaimability standard of section 522(a)(2) of the SMCRA is applied to the lease tracts prior to a sale. In support of their lawsuit, the plaintiffs allege that the Department, in amending the rules, violated NEPA and various provisions of the FCLAA and FLPMA. The parties have filed and fully briefed cross motions for summary judgment. The court had not scheduled oral argument by the end of the fiscal year.

3. Lease Readjustment

Two cases involve the timeliness of the Department's coal lease readjustment procedures, Coastal States Energy Co. v. Watt, C-83-0730 J (D. Utah); FMC Corp. v. Watt, Civil No. C83-0347 (D. Wyoming). The four leases in these cases were all issued subject to the right of the Secretary to readjust the lease terms and conditions (including royalty provisions) at the end of every 20 years. 30 U.S.C. § 207 (1970).

With respect to these leases, the BLM notified the lessees, prior to the 20-year lease anniversary, of its intent to readjust the leases. The BLM provided the lessees the readjusted terms and conditions for three leases prior to the 20-year anniversary and within 2 weeks after that date for the fourth lease. Both lessees filed objections and took administrative appeals to the Board of Land Appeals. The new terms and conditions were affirmed by the Board and these judicial appeals followed.

Plaintiffs allege that the Department's failure to dispose of their administrative appeals prior to the 20-year anniversary date constitutes a waiver of the Secretary's power to readjust their leases. Plaintiffs cite Rosebud Coal Sales Co. v. Andrus, 667 F.2d 949 (10th Cir. 1982). The Department, however, views Rosebud as not controlling since it involved a lease where no notice of intent to readjust was given until well after the 20-year anniversary date.

The government has filed an answer in both cases. Neither case had been briefed or set for argument at the end of the fiscal year.

4. Fort Union Sale

On August 3, 1983, the House Committee on Interior and Insular Affairs adopted a Resolution directing the Secretary of the Interior to withdraw lands in the Fort Union Coal Region (in North Dakota and Montana) from coal leasing. Several of the tracts studied in that Region and covered by the Resolution were scheduled for sale on September 14, 1983. The Committee cited section 204(e) of FLPMA, 43 U.S.C. § 1714(e), as authorizing one committee to command the Secretary to make an emergency withdrawal that would void the scheduled sale.

The Plaintiff brought suit to enjoin the Secretary from conducting the scheduled sale until he had complied with the August 3, 1983, Resolution. National Wildlife Federation v. Watt, Civil No. 83-2648 (D.D.C.). In a letter of September 9, 1983, to the Chairman of the House Committee, the Secretary explained that he was not complying with the Committee Resolution as it was an unconstitutional attempt to legislate, in violation of the legislative procedures in Article I of the U.S. Constitution. The Secretary relied on the recent Supreme Court decision in INS v. Chadha, 358 U.S. 358, 103 S. Ct. 2764 (1983).

The District Court, finding a substantial question existed whether Article IV Congressional powers (the public property clause) had to be exercised through Article I procedures governing legislation, preliminarily enjoined the Secretary from issuing leases until the Court had an opportunity to consider the case fully on the merits. As of the end of the fiscal year, the case was briefed by all parties (Chairman Udall intervened as a plaintiff and various bidders intervened as defendants). In FY 1984 the District Court made the injunction permanent, holding that Interior was obligated by its own withdrawal rules to make a withdrawal when the House made an emergency withdrawal resolution. The Court did not reach the constitutional issue. Interior did not appeal the decision.

5. Federal Coal Under Allotted Lands

Several Navajos owning allotted land in New Mexico have filed a class action in Etcitty, et al. v. United States, et al., Civil No, Civ. 83-1408C (D. New Mexico, filed August 31, 1983), seeking inter alia, a declaration of rights for all Navajo Indians who hold beneficial title to any interest in allotted lands in New Mexico held in trust by the United States where the trust patent states that the United States reserves any coal interest. Plaintiffs primarily claim that the allottees were entitled to revised patents relinquishing the Federal coal reservation, pursuant to the Act of April 14, 1914, 30 U.S.C. 82 (1976), where lands covered by the trust patents were subsequently classified as noncoal in character. Codefendants include holders of PRLAs for the Federal coal underlying the allotted surface. The case is still being briefed.

6. Navajo Reservation Litigation

The Navajo Tribe is seeking a determination that approximately 1.8 million acres of land reserved to the Navajo by Executive Orders Nos. 709 (November 9, 1907) and 744 (January 28, 1908), but returned to the public domain by Executive Orders Nos. 1000 (December 30, 1908) and 1284 (January 16, 1911), are still part of the present Navajo Reservation. Navajo Tribe of Indians v. State of New Mexico, et al., Civil 82-1148-JB (D. New Mexico). The Tribe also seeks a judgment that the United States breached a fiduciary duty to the Tribe by treating the land as part of the public domain and a judgment that all coveyances by the United States subsequent to Executive Orders 709 and 744 be cancelled. Thirdly, the Tribe asserts a claim for trespass damages against all present owners of the land.

The government filed a motion to dismiss for lack of jurisdiction and failure to state a claim in January of 1983. The Court ruled in the government's favor in December 1983 and the Tribe has now appealed.

B. OSM FEDERAL LANDS LITIGATION

1. In re: Permanent Surface Mining Regulation Litigation II, Civil No. 79-1144 (D.D.C.)

Several groups have challenged the Secretary's Federal lands regulations at 30 C.F.R. Parts 740-746, promulgated to implement the SMCRA. The regulations allow States to assume regulatory authority for surface coal mining and reclamation operations on Federal lands. The Secretary retains his responsibility to approve mining plans on Federal lands, to designate certain Federal lands as unsuitable for mining, and to regulate other

activities on Federal lands. A mining plan is defined as the plan required under the MLA to mine leased Federal coal. The plaintiffs argue that these rules illegally delegate the Secretary's responsibilities under the MLA and SMCRA. These issues have been briefed and argued.

2. National Audubon Society v. Watt, Civil No. 82-2087 (D. Col. 1982)

Plaintiff challenged the Secretary's approval of a permanent program cooperative agreement with the State of Colorado under section 523(c) of the SMCRA. Plaintiff alleges that the cooperative agreement, approved on October 6, 1982, was inconsistent with OSM's Federal lands rules then in effect (the rules were amended on February 16, 1983, and now correspond to the Colorado agreement). Plaintiff also alleges that the Secretary had no authority under the Administrative Procedure Act to approve the agreement in violation of valid regulations in effect at the time. The State of Colorado has intervened as a defendant. The parties are awaiting a court ruling on Colorado's motion to prohibit discovery by plaintiff. Federal defendants have not objected to the discovery and have answers prepared to file.

3. Utah International, Inc., et al v. Watt, et al., Civ. No 81-0090W and 81-0093W (D. Utah).

On cross-motions for summary judgment the District Court disposed of several issues in this challenge to the Secretary's designation that certain Federal lands, including several existing Federal coal leases, in Southern Utah were unsuitable for surface coal mining under section 522 of the SMCRA 553 F. Supp. 872 (D. Utah 1982).

In its decision, the District Court held that the SMCRA's designation procedures do not require that the unsuitability hearings be an adjudicatory proceeding, but rather is legislative in nature. It also held that the SMCRA authorizes the designation of lands outside the boundaries of a National Park and that the Secretary's designation is not void because the decision was not issued within sixty days from the conclusion of the unsuitability hearing. Finally, the District Court found nothing in the SMCRA or legislative history which requires the Secretary to compile a data base and inventory prior to designating Federal lands unsuitable.

The parties' substantive claims remain for review at a hearing scheduled for May 1984. Utah International, Inc. (UII) and Nevada Electric Investment Company (NEICO) claim that the SMCRA does not authorize a Federal unsuitability process, that the Secretary failed to prepare an adequate

"detailed coal statement," that OSM violated NEPA in its preparation of the EIS, and that the companies were denied an adequate opportunity to review and rebut the EPA noise study used in the designation. UII and NEICO also claim that the Secretary's designation lacks the support of competent scientific data, does not give due consideration to BLM's contrary recommendation and was rendered prematurely without benefit of their submitting a mining and reclamation plan.

The Sierra Club contends that the portion of the decision refusing to designate a portion of the petition area should be set aside because the Secretary failed to consider: other "fragile lands" in addition to Bryce Canyon National Park which might suffer a loss of water supply or food and fiber products; and the cumulative significance of individually-identified adverse environmental effects from mining in the rejected area upon "fragile" or "renewable resource lands."

The Environmental Defense Fund contends that the Secretary's decision fails to determine that slurry pipeline transport of coal, utilizing water from the Navajo Sandstone aquifer, constitutes an unsuitable surface coal mine operation within the petition area.

UII's and NEICO's claim that the Secretary's designation constitutes an unconstitutional impairment of contractual obligations and a taking of private property without due process has been deferred pending disposition of the other claims. The State of Utah's claim that the designation effectively isolates State school section lands, which makes it uneconomical to mine coal on these lands, also has been deferred.

V. MAJOR ISSUES AND RECOMMENDATIONS FOR 1984

This report provides a discussion of the investigation by the Commission on Fair Market Value Policy for Federal Coal Leasing which was initiated in FY 1983. Also included is a summary of the Department's initial response to the Commission's report which was delivered to Congress on March 19, 1984. All but one of the recommendations were accepted and schedules for implementing these recommendations have been developed. As the recommendations of the Coal Commission are further reviewed by the Department, the Department's specific recommendations for future legislative, regulatory and program changes will be formulated and forwarded to Congress. The following part of chapter V that deals with the Commission's report is taken directly from the Commission's report Fair Market Value Policy for Federal Coal Leasing released in February 1984.

A. COMMISSION ON FAIR MARKET VALUE POLICY FOR FEDERAL COAL LEASING

In April and October, 1982, the Federal Government, through the Department of the Interior, sold leases to lands in Montana and Wyoming that contain an estimated 1.6 billion tons of coal. The total lease price of the coal lands -- located in an area known as the Powder River Basin -- was \$67 million.

In the weeks following the sale, criticisms of Interior Department procedures and Powder River sales results mounted, amid widespread allegations -- by the press, members of Congress, public interest organizations, and others -- that ... the government had realized far less than fair market value for leases. These charges included that:

- ° Confidential Government appraisals of fair market value for the leases had been leaked to the coal industry before the sale.
- ° Subsequently, the minimum amounts the Interior Department would accept for the 13 tracts to be sold had been arbitrarily cut by 50 percent, resulting in prices far below the fair market value that the Interior Department is required by statute to obtain.
- ° The Interior Department then held the Nation's largest ever coal lease sale despite a weak coal market.

Purpose of the Commission

To study the Federal coal management program and resolve controversies surrounding Interior's leasing procedures, Congress established the Commission on Fair Market Value Policy for Federal Coal Leasing by passing Public Law 98-63, signed by President Reagan on July 30, 1983. This law states that:

The Secretary (of the Interior) shall appoint a Commission to review the Department's coal leasing procedures to ensure receipt of fair market value within 30 days after enactment of this Act, and said Commission shall make its recommendations within 6 months after enactment of this Act.

On August 4, 1983, the Interior Department chartered the Commission, directing it to:

- a) Examine statutes, policies, and the Interior Department's procedures to ensure receipt of fair market value from Federal coal leases.
- b) Evaluate efforts to improve the Interior Department's fair market value policies and procedures for the coal leasing program.
- c) Recommend improvements in the statutes, policies, and procedures.

The Commission's objectives were detailed in the Congressional Conference Committee report on the Fiscal 1984 Interior Appropriations bill, which requested the Commission to "...review all aspects of the Federal coal leasing program related to determining the value of Federal coal tracts, including the following issues...:"

- ° The methodology for estimating fair market value, including economic valuation methods, pre-sale versus post-sale analysis, and the value of independent and review appraisals.
- ° The impact on competition and achieving fair market value of leasing large amounts of coal, particularly under depressed market conditions, versus a more moderated leasing schedule.
- ° Whether the leaseholder should share more in the risk of holding the lease by increasing rental rates, on a regionally adjusted basis.
- ° Whether the public should share in the appreciation of the value of its resources by imposing a tax on transfers of surface or lease rights.
- ° The methodology for assigning value to maintenance tracts, based on the value of the coal in the ground to the adjoining mine owner rather than as a "competitive" lease tract, when no competitive interest can be expected.

- ° Possible methods of increasing competition, such as changing tract delineation methods, requiring meaningful fees to accompany expressions of interest, adopting intertract bidding procedures, or requiring a minimum number of bids in order to have a competitive sale.
- ° Methods of evaluating tracts to reflect regional differences in coal, and establishing cents-per-ton minimums on a regional basis.
- ° Whether pre-sale planning procedures are adequate, particularly with regard to land-use planning, public participation, and the role of the Regional Coal Teams in determining the timing and amount of leasing.
- ° Methods of carrying out authorized exchanges so as to minimize adverse effects on sale competition.

The Commission did not consider environmental issues associated with Federal coal leasing activities. These issues are being addressed by the Office of Technology Assessment and the Department will respond to the OTA report.

Working of the Commission

The Commission met for the first time on August 24, 1983. This was at a business meeting held in Washington, D.C. During the next 6 months, the Commission held hearings and business meetings on 23 days. Hearings were held in Washington, D.C., and in Denver, Colorado. Oral testimony and briefings were presented by more than 90 individuals, supplemented by written statements submitted for the record. Testimony and statements came from the full range of organizations and individuals interested in Federal coal leasing, including the coal industry, railroad industry, environmental groups, landowners and resource councils, Indian Tribes and councils, State and local governments, Congress, and Government Departments and agencies.

Two of the Commissioners toured Western mining sites for a firsthand look at Federal lands and coal production activities.

On November 28 the Commission submitted notice to the Federal Register that 39 draft recommendations were available for review and public comment. The Commission received formal comments from 43 groups and individuals. These comments have been thoroughly reviewed and considered by the Commission.

After draft chapters of the report had been prepared, they were made available for public review. The Commission received comments on these chapters from various affected groups, including environmental organizations and the coal industry.

The final Commission report contains 36 recommendations, as well as several judgments and conclusions. The final report was made public in February 1984.

B. UPCOMING EVENTS FOR 1984

On March 19, 1984, the Secretary released his response to the report of the Commission on Fair Market Value Policy for Federal Coal Leasing (the Linowes report). The Secretary proposes to adopt all but one of the Commission's recommendations that are within the Department's authority to implement. The potential environmental consequences of implementing these procedures will be thoroughly studied before final decisions are reached. The Secretary expects to have in place, by December 31, 1984, a decisionmaking process that will allow the Department to responsibly determine whether specific proposed sales will be in the national interest. Attached is a list of the tasks and timeframes to be completed to meet the December deadline. In addition, the Secretary agreed to work with the Congress to address the statutory proposals put forth by the Commission.

The recommendations adopted provide a comprehensive framework within which responsible decisions can be made regarding future coal lease sales. The proposals will restructure the Department's decision process, will enhance opportunities for public participation, and will increase the role of the RCT's and the coal advisory board to enhance State and local involvement in the program. In addition, the procedures are designed to sharpen the mechanisms for selecting tracts, for conducting lease sales, and for increasing competition. The procedures will also incorporate the Commission's recommendations for validating the Department's appraisal methods.

Federal Coal Leasing Levels

Under the proposed procedures, less emphasis will be placed on leasing levels at the early stages of the process. The levels and methodologies for setting those levels will be established in consultation with the RCT's and the advisory board. The Department will establish leasing levels that promote rational leasing decisions that will not adversely impact the coal market. Also, the amount of possible preference right leasing is to be considered in determining the appropriate level of future regional coal leasing.

Factors to be used in setting leasing levels will also be reexamined at the time of the lease sale decision and will be part of the required record of decision. Additionally, the regional coal leasing environmental impact statement (EIS) would no longer identify a particular combination of tracts as the "preferred alternative" but would analyze all alternatives equally and fully. By not indicating a preference, the Department hopes to avoid the public perception that a final lease sale decision is prematurely made during the preparation of the EIS.

The Department will continue to maintain a long-range (5-year) planning schedule that will be developed in consultation with the advisory board and will have a shorter lease sale schedule that identifies the tracts and the timing for lease offering. The long-range schedule will identify decision points at which the Secretary will decide, after consultation with the States and the public, what the schedule will be for offering tracts if a sale is determined to be in the public interest. The RCT's are to be the major tool for Federal-State conflict resolution and are to use State staff on a sale-by-sale basis. A WO representative will also be designated for each team.

Selecting Tracts for Coal Leasing

In furtherance of the requirement to receive FMV for coal tracts, BLM will be studying competitive factors for use in the tract delineation and tract selection processes and will be proposing procedures for assessing alternative tract configurations.

The Department will sponsor more government drilling and will encourage private-sector drilling to enhance its data base for making decisions. Tracts will not be delineated or selected unless there is adequate knowledge to evaluate potential trade-offs and will not be offered for lease unless there is adequate coal data to appraise the tract's value.

The Department has endorsed cooperative leasing and has instructed BLM to identify and aggressively pursue such opportunities. Similarly, the Bureau is to pursue and evaluate potential fee exchanges under FLPMA to consolidate Federal coal holdings. In processing coal exchanges, DOJ will be asked for its review.

Coal Lease Sale Procedures

The Department will define new production and maintenance/bypass tracts in order to distinguish between captive, single bidder tracts and tracts with competitive potential. Once adopted, these definitions are to be used in tract delineation and will be part of all decision material prepared for the RCT's and the Department.

With regard to bidding systems, the Department will continue to use bonus bids with fixed royalties. However, intertract bidding may be used in appropriate cases. When using intertract procedures, only the bids on tracts where leases are awarded will be made public. This bidding system will only be considered after the Department receives the advice of the RCT's and the affected Governors.

Although the Department has experimented with alternative bidding systems, public comment will be requested and the Department will continue experimentation with a variety of auction techniques. The Department will continue to use minimum submissible bids rather than entry fees but will solicit comment on establishing those bids on a regional basis. Minimum bids will be established on a cents per ton basis to more accurately represent the economic value of the tract.

Although it does not have authority to negotiate a fair price for a lease, the Department will request public comment on the possible conceptual approaches that could be used if Congress grants such authority.

With regard to bid acceptance, the Department will continue to use bids from coal sales in post-sale appraisals. However, the amounts bid on single-bid tracts will be kept from the evaluation team until the team completes its appraisal based on multiple-bid tract results. Sale appraisal procedures will be made available for public comment. Procedures for the security of confidential data, while currently in place, will be updated and incorporated in appropriate manuals.

Appraisal Methods

The Department agrees with six of the seven Commission recommendations concerning appraisal methods. Specifically, model designs and input data will be evaluated, the coal evaluation methodologies will be made available, and the Department will explain how the methodologies will be applied in the analysis of coal lease tracts. Also, the small business tax adjustment will not be used and a comprehensive review of appraisal techniques will continue.

While the Department agrees that captive, one-bidder tracts should be evaluated on the value to the adjoining coal or mine owner, it is uncertain of how this value should be assessed. Therefore, public comment will be requested as part of the proposed uniform appraisal methods. In addition, the Bureau will take steps to enhance its appraisal capability including increasing the number of mineral appraisers, improving the professional capabilities of those currently employed, and considering use of private sector appraisers. OPM will also be asked to study pay comparability and the possibility of treating minerals professionals as a shortage occupation category.

Departmental regulations require details of proposed lease assignments. However, because there continues to be inconsistency in the information provided, BLM will seek public comment on the information that should be submitted. Additionally, BLM is not to approve assignments unless appropriate information is provided by the assignee.

The Department has taken issue with the Commission's recommendation calling for industry to submit information on private coal transactions. It is the Department's belief that such a measure would be counter-productive and therefore the Department will not implement this recommendation. This requirement might inhibit competition. Some companies would rather not bid than disclose this information. Also the value of such information is limited because of the differences the Commission identified between Federal and private transactions. The accuracy of this information would be difficult to verify.

Key Statutory and Related Factors

The Department agrees that Congress should abolish the 10-year diligent development termination requirement and should replace it with a system of fees, penalties, or other financial incentives to spur development. A system of penalties or financial incentives is also advocated in lieu of the prohibition against the acquisition of new Federal mineral leases if a coal lessee is not producing coal in commercial quantities within 10 years of lease issuance.

The Department agrees with the principles advocated by the Commission concerning discretionary royalty reductions on a regional basis prior to a lease sale and will work with Congress on this point. The Commission made a recommendation concerning the calculation of Federal royalty payments. The Department, however, believes that this issue must be addressed by Congress because of its effects on other programs and on State and local governments.

The Department has not taken a position on the Commission's recommendation concerning coal shippers and possible anticompetitive practices and granting the right of eminent domain for coal slurry pipelines. With regard to the prohibition against railroads and their affiliates bidding for coal tracts, the Department supports the Commission recommendation seeking repeal of this section of the law, stating that it would improve the Department's ability to manage Federal coal in checkerboard areas.

Organization and Management

The Department has concurred with the Commission's five recommendations in this area. In particular, BLM will complete the process of strengthening its economic analysis capabilities on the tract delineation teams by June 30, 1984. Related to this, BLM will establish in Washington an office for policy development and guidance concerning appraisal and economic matters and will establish a regional structure for field evaluation teams. The WO coordinating group will develop uniform appraisal policies and methods and make them available for public comment.

Qualifications for sale panel members will be developed by June 1984 with mandatory participation by (1) an ex-officio State representative, (2) a member of an economic evaluation team from a different region, (3) a Departmental representative from the WO; and (4) a Deputy State Director for Minerals.

Finally, the Bureau will work toward integrating oversight functions into internal program management and the IG will be asked to conduct periodic audits of the program.

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APPENDIX A

COAL STATISTICS

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TABLE A-1
FEDERAL COAL LEASES ISSUED DURING FY 1983

State (Region)	Effective Lease Date	Lessee(s)	Tract Name	Serial Number	Acreage	Recoverable Reserves (Mil. Tons)	Royalty Rate (Percent)	Bonus Bid (\$/Acre)
Alabama (So. Appalachian)	11/1/82	Abston Consturction Co.	Dividing Ridge	ES27221	638	1.17	12.5	420.00
	1/1/83	Ark Land Co.	Brannon Creek	ES27219	480	.27	12.5	152.60
	3/1/83	Jerry Williams	Flatwoods	ES27227	478	.56	12.5	210.95
	3/1/83	Jerry Williams	Tyro Creek	ES27222	562	.22	12.5	129.95
Alaska	4/1/83	Edwin Read	--	F014996	2,560	3.97	12.5	--
Colorado (Green River- Hams Fork)	4/1/83	Consol Land Devel. Co.	Danforth #3	C29226	1,895	48.70	12.5	8,475.00
	6/1/83	Utah International	Danforth #2	C29225	2,368	63.70	12.5	3,000.00
Montana (Powder River)	6/1/83	Thermal Energy	Cook Mountain	M54714	2,096	178.00	12.5	2,123.00
New Mexico (San Juan)	6/1/83	Carbon Coal Co.	--	NM52786	160	.48	12.5	100.00
Oklahoma	2/1/83	Farrel Cooper Mining Co.	--	NM50936	1,170	3.38	12.5	112.75
	9/1/83	HFCO	--	NM50410	98	.09	12.5	101.00

TABLE A-1 (CONT'D)
FEDERAL COAL LEASES ISSUED DURING FY 1983

State (Region)	Effective Lease Date	Lessee(s)	Tract Name	Serial Number	Acreage	Recoverable Reserves (Mil. Tons)	Royalty Rate (Percent)	Bonus Bid (\$/Acre)
Utah (Uinta-SW Utah)	10/1/82	Westappa Coal Co.	Rilda Canyon	U47977	640	7.48	8.0	8,150.00
	11/1/82	Bishopsgate Coal	Tucker Canyon	U47973	161	.84	8.0	125.00
	3/1/83	Natomas Coal Co.	--	U49332	642	4.75	8.0	2,221.46
	4/1/83	Mountain States Resources	--	U5146	2,563	17.33	8.0	--
	7/1/83	Consolidation Coal Co.	Kingston	U50044	160	2.27	8.0	990.00
Virginia	11/1/82	Clinchfield Coal Co.	--	ES24616	251	.30	8.0	110.00
Wyoming (Green River- Hams Fork)	4/1/83	Rosebud Coal Sales	--	W23411	5,078	17.96	12.5	--
Wyoming (Powder River)	11/2/82	Meadowlark Farms	--	W80954	1,433	173.00	12.5	--
	2/1/83	Texas Energy & NW Mutual	Rocky Butte	W78633	4,856	445.00	12.5	4,600.00
	3/1/83	Wyodak Resources	Fortin Draw	W78630	320	26.60	12.5	4,225.10

SOURCE: U.S. Department of the Interior, Bureau of Land Management, Office of Resource Evaluation and Program Development, Automated Coal Lease Data System, September 30, 1983.

TABLE A-2

LEASES SOLD IN ALL REGIONAL SALES

(January 1981 Through September 1983)

<u>REGIONS</u>	<u>DATE OF SALE</u>	<u>NO. OF TRACTS</u>	<u>ACRES</u>	<u>TOTAL RECOVERABLE RESERVES (In Mil. Tons)</u>	<u>TOTAL HIGH BONUS BIDS</u>
Fort Union	September 1983	3	7,091	96.5	\$ 773,310
Green River-	January 1981	6	11,283	87.9	1,730,277
Hams Fork	April 1981	2	5,572	64.4	9,013,430
	October 1981	1	5,974	62.7	1,792,227
	April 1982	2	4,262	112.4	23,164,125
	Total to Date	11	27,091	327.4	\$35,700,060
Powder River	April 1982	10	16,554	1,089.6	\$43,484,434
	October 1982	2	5,176	471.6	23,689,632
	Total to Date	12	21,730	1,561.2	\$67,179,066
Southern Appalachian	June 1981	6	5,040	37.8	\$180,537
	December 1981	4	3,629	7.3	623,605
	September 1982	3	1,520	1.1	247,114
	Total to Date	13	10,189	46.2	\$1,051,256
Uinta Southwestern	July 1981	5	10,854	79.7	\$14,200,410
Utah	February 1982	1	160	2.3	158,400
	May 1982	1	640	7.5	5,216,000
	Total to Date	7	11,654	89.5	\$19,574,810
Total All Regions	To Date	46	77,755	2,120.7	\$124,278,502

NOTE: Data may not add to totals shown due to independent rounding.

SOURCE: U.S. Department of the Interior, Bureau of Land Management, Office of Resource Evaluation and Program Development, Automated Coal Lease Data System, September 30, 1983.

TABLE A-3

AVERAGE HIGH BONUS BIDS FROM ALL REGIONAL SALES

Region	Total Acres Sold	Total High Bonus Bids (In Dollars)	Avg. Bid (\$/Acre)	Total Recov. Reserves Sold (In Mil Tons)	Avg. Bid (Cents/Ton)	Avg. FOB Mine <u>1/</u> Per Ton of Coal (In Dollars)	Percent of <u>2/</u> Coal Price	Avg. BTU (Per Pound)	Avg. High Bonus Bid Cents/Mil.BTU <u>3/</u>
Fort Union	7,091	773,310	109	96.5	.80	9.14	.088	6,700	.060
Green River-Hams Fork	27,091	35,700,060	1,318	327.4	10.90	20.00	.545	10,250	.531
Powder River	21,730	67,179,066	3,092	1,561.2	4.30	7.50	.573	8,250	.261
So. Appalachian	10,189	1,051,256	103	46.2	2.29	30.00	.076	12,500	.092
Uinta-SW Utah	11,654	19,574,810	1,680	89.5	21.87	28.00	.781	12,300	.890

1/ Average price of coal sold at the mine.

2/ Cents/ton divided by average mine mouth selling price per ton of coal = percent of coal price.

3/ Average BTU/LB. x 2000 = BTU/ton divided by 1,000,000 = cents/ton divided by MM BTU/ton = cents/MM BTU.

SOURCE: U.S. Department of the Interior, Bureau of Land Management, Office of Resource Evaluation and Program Development, Automated Coal Lease Data System, September 30, 1983, and Coal Week, McGraw-Hill, Inc., Washington, D.C., February 7, 14, 28 and March 7, 1983, Vol. 9 No. 7 through No. 10.

TABLE A-4

SURFACE ACREAGE AND
RECOVERABLE RESERVES BY STATE:
SEPTEMBER 30, 1983

State	Number of Leases	Total Recov. Reserves (In Mil. Tons)	Total Acres	FEDERAL LANDS			Native American	State	Private
				BLM	FS	Other			
TOTAL	632	17,732	948,575	423,939	97,056	1,426	9,148	41,335	375,667
Alabama	15	39	13,044						13,044
Alaska	2	W	3,160	3,160					
California	1	W	80	80					
Colorado	143	1,876	161,509	68,073	22,967				70,459
Kentucky	5	11	4,292		4,292				
Montana	27	1,617	44,514	1,426	80				
New Mexico	30	510	44,921	20,047			9,148	2,148	40,863
North Dakota	19	254	16,660	40				7,086	8,638
Oklahoma	49	214	80,415	890					16,620
Oregon	3	1/	5,411	538	4,874				79,528
Pennsylvania	2	W	80			80			
Utah	218	3,693	319,068	215,357	55,342	22		30,819	17,525
Virginia	1	W	251		251				
Washington	2	W	521					241	280
Wyoming	115	9,504	254,646	114,327	9,249	1,324		1,040	128,708

NOTE: Details may not add to total due to rounding and noninclusion of proprietary reserve data.

SOURCE: U.S. Department of the Interior, Bureau of Land Management, Automated Federal and Indian Leasable Minerals System and Automated Coal Lease Data System, September 30, 1983.

W - Withheld to protect proprietary data.

1/ Less than .5 million tons of recoverable reserves.

TABLE A-5

SURFACE ACREAGE AND
RECOVERABLE RESERVES BY REGION:
SEPTEMBER 30, 1983

Region	Number of Leases	Total Recov. Reserves (In Mil. Tons)	Total Acres	FEDERAL LANDS			Native American	State	Private
				BLM	FS	OTHER			
<u>Total</u>	632	17,732	948,575	423,939	97,056	1,426	9,148	41,335	375,667
So. Appalachian	15	39	13,044						13,044
Fort Union	22	511	22,556	40					22,516
Green River- Hams Fork	116	1,729	182,948	124,006	400	1,324		120	57,095
Powder River	90	10,124	181,106	8,173	8,849			3,068	161,016
San Juan River	29	510	45,060	20,047			9,148	7,046	8,817
Uinta-Southwestern Utah	283	4,536	405,481	266,805	78,309	22		30,819	29,521
Other	77	284	98,378	4,868	9,498	80		281	83,655

NOTE: Details may not add to totals due to rounding. Data in this table are used in figure 2 and 3.

SOURCE: U.S. Department of the Interior, Bureau of Land Management, Automated Federal and Indian Leasable Minerals System and Automated Coal Lease Data System, September 30, 1983.

TABLE A-6

LARGEST 15 FEDERAL COAL LESSEES RANKED
BY ACREAGE: SEPTEMBER 30, 1983

Lessee	Acreage	Number of Leases
Consolidation Coal Co.	57,901	37
Peabody Coal Co.	50,108	37
Gulf Oil	43,155	37
Utah Power & Light	28,429	15
Utah International Inc.	28,398	28
Swanton Energy Res. Corp.	27,659	16
U.S. Steel Corp.	18,747	18
Evans Coal Co.	17,805	11
Ark Land Co.	16,222	14
Dorchester Coal Co.	15,805	3
Kaiser Steel Co.	15,094	10
Black Butte Coal	14,902	1
Decker Coal Co.	14,770	5
Sweetwater Coal Dev. Co.	14,680	1
Pacific Power & Light	14,100	13

SOURCE: U.S. Department of the Interior, Bureau of Land Management,
Office of Resource Evaluation and Program Development.

TABLE A-7

READJUSTMENTS AND MODIFICATIONS DURING FY 1983
AND PENDING READJUSTMENTS AND MODIFICATIONS,
BY STATE: SEPTEMBER 30, 1983

State	Number of Readjustments	Readjustments Pending 2/	Number of Modifications	Modifications Pending 2/
<u>TOTAL</u>	42	58	6	15
Colorado	15	27	3	6
Montana	2	6	1	1
New Mexico	2 <u>1/</u>	3	0	0
North Dakota	1	1	1	0
Oklahoma	6 <u>1/</u>	0	0	0
Utah	10	10	0	5
Wyoming	6	11	1	3

1/ Includes readjustments resolved by the Interior Board of Land Appeals.

2/ Lease readjustments and modifications, that were initiated prior to September 30, 1983, but not completed by September 30, 1983, are listed as pending.

SOURCE: U.S Department of the Interior, Bureau of Land Management, Office of Resource Evaluation and Program Development.

TABLE A-8
FEDERAL COAL LEASES ISSUED SINCE FY 1978
BY FISCAL YEAR

	Number Of Issued Leases	Total Acreage Of Issued Leases	Total Recoverable Reserves of Issued Leases (In Mil. Tons)
FY 1978	2	574	3.42
FY 1979	13	9,062	70.78
FY 1980	14	r/ 10,376	155.41
FY 1981	r/ 15	r/ 33,398	295.63
FY 1982	r/ 40	r/ 84,283	1,420.37
FY 1983	21	28,609	996.07

NOTE: The data in this table is used in figures A-1, A-2, A-3 and A-4.

r/ Revised from figures used in previous Coal Management Reports due to previous reporting errors.

SOURCE: U.S. Department of the Interior, Bureau of Land Management, Office of Resource Evaluation and Program Development, Automated Coal Lease Data System, September 30, 1983.

TABLE A-9
FEDERAL COAL LEASES SOLD SINCE FY 1978
BY FISCAL YEAR

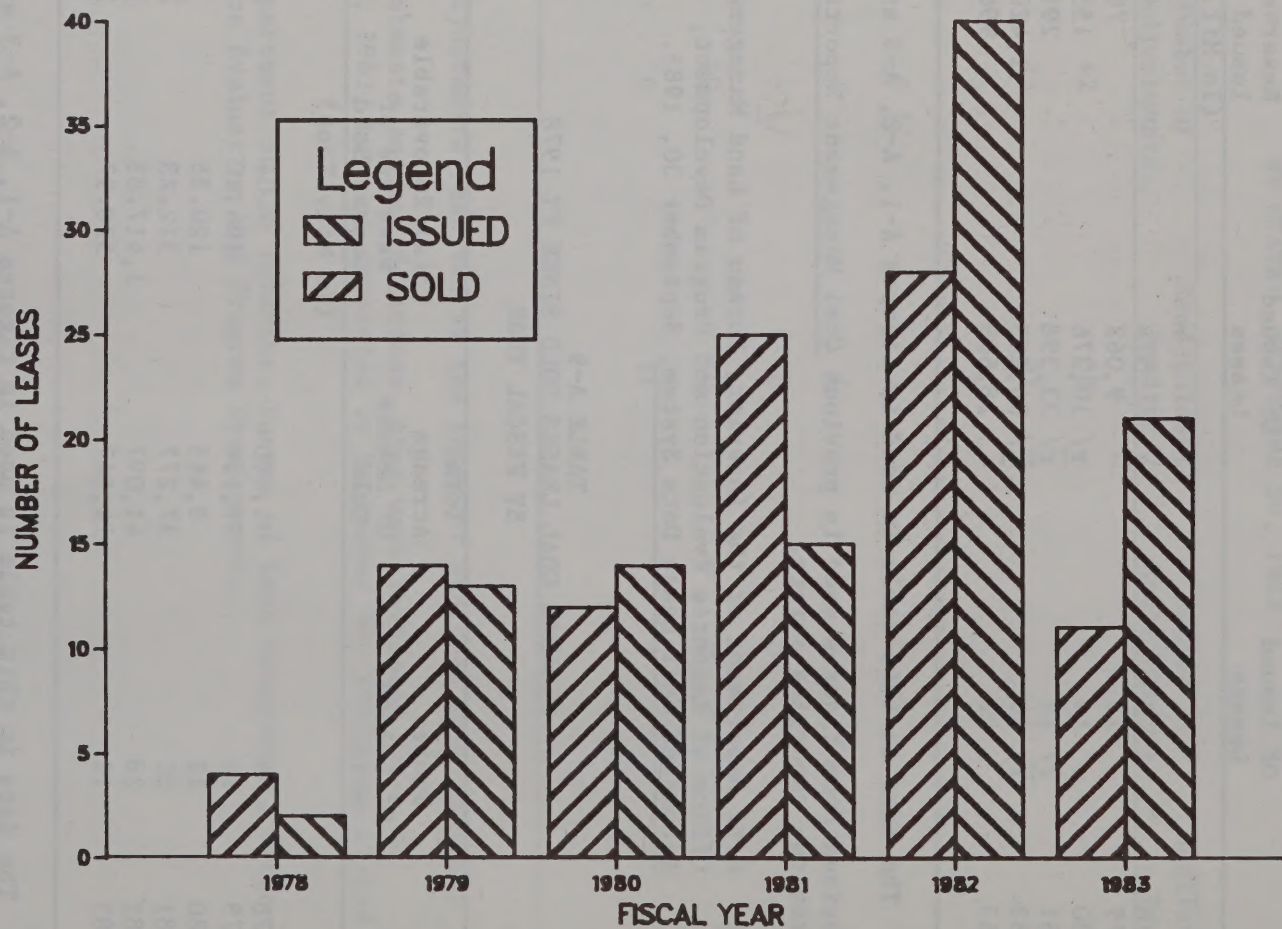
	Number Of Leases Sold	Total Acreage Of Leases Sold	Total Recoverable Reserves of Leases Sold (In Mil. Tons)	Total High Bonus Bids (In Dollars)
FY 1978	4	1,490	7.04	\$104,801
FY 1979	14	11,154	106.10	960,042
FY 1980	12	8,465	120.35	564,780
FY 1981	25	37,277	312.23	26,150,862
FY 1982	28	41,097	1,417.83	77,538,168
FY 1983	11	14,547	578.97	26,241,514

NOTE: The data in this table is used in figures A-1, A-2, A-3 and A-4.

SOURCE: U.S. Department of the Interior, Bureau of Land Management, Office of Resource Evaluation and Program Development, Automated Coal Lease Data System, September 30, 1983.

Figure A-1

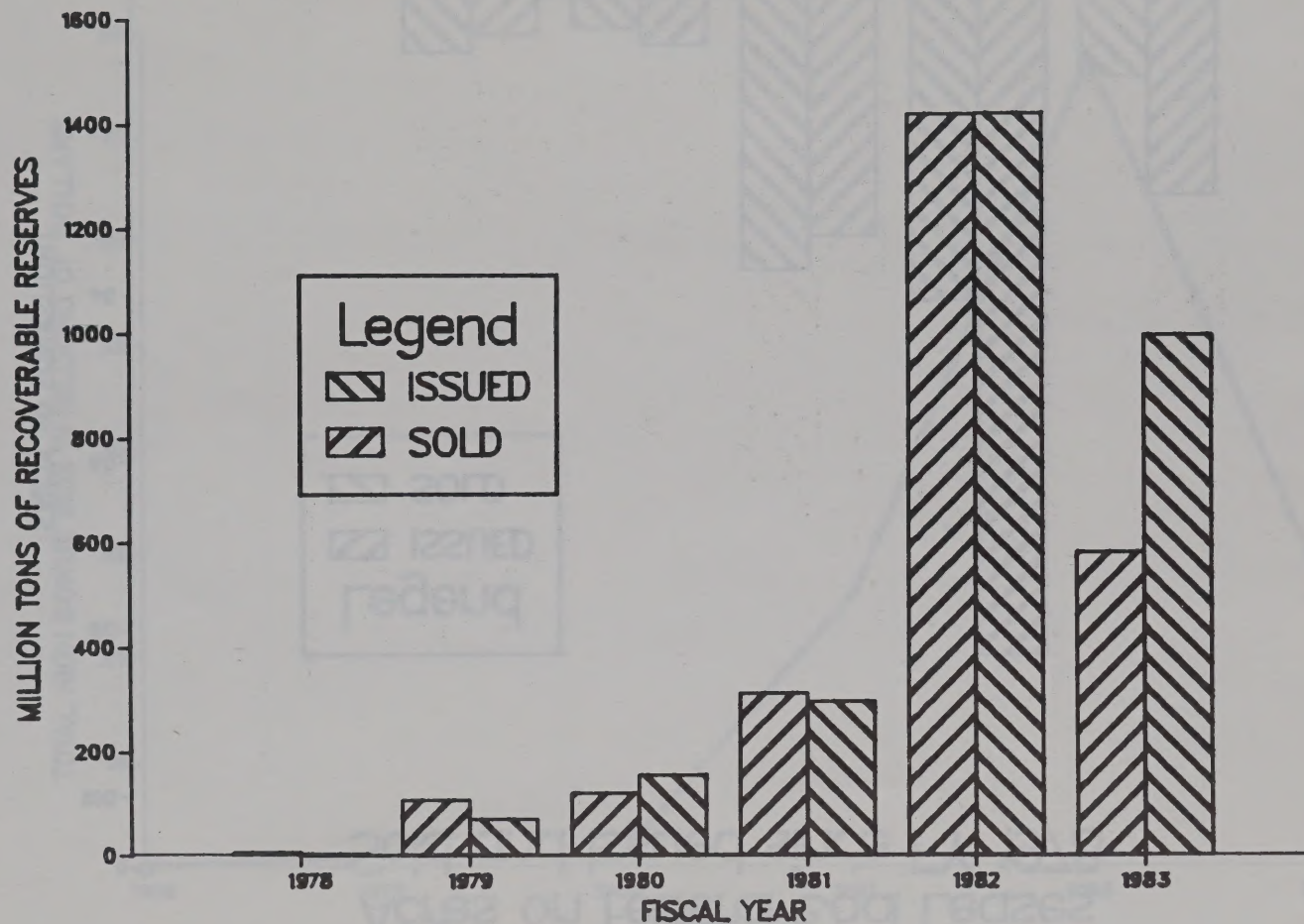
Federal Coal Leases Sold and Issued since FY 1978



SOURCE: Automated Coal Lease Data System,
September 30, 1983.

Figure A-2

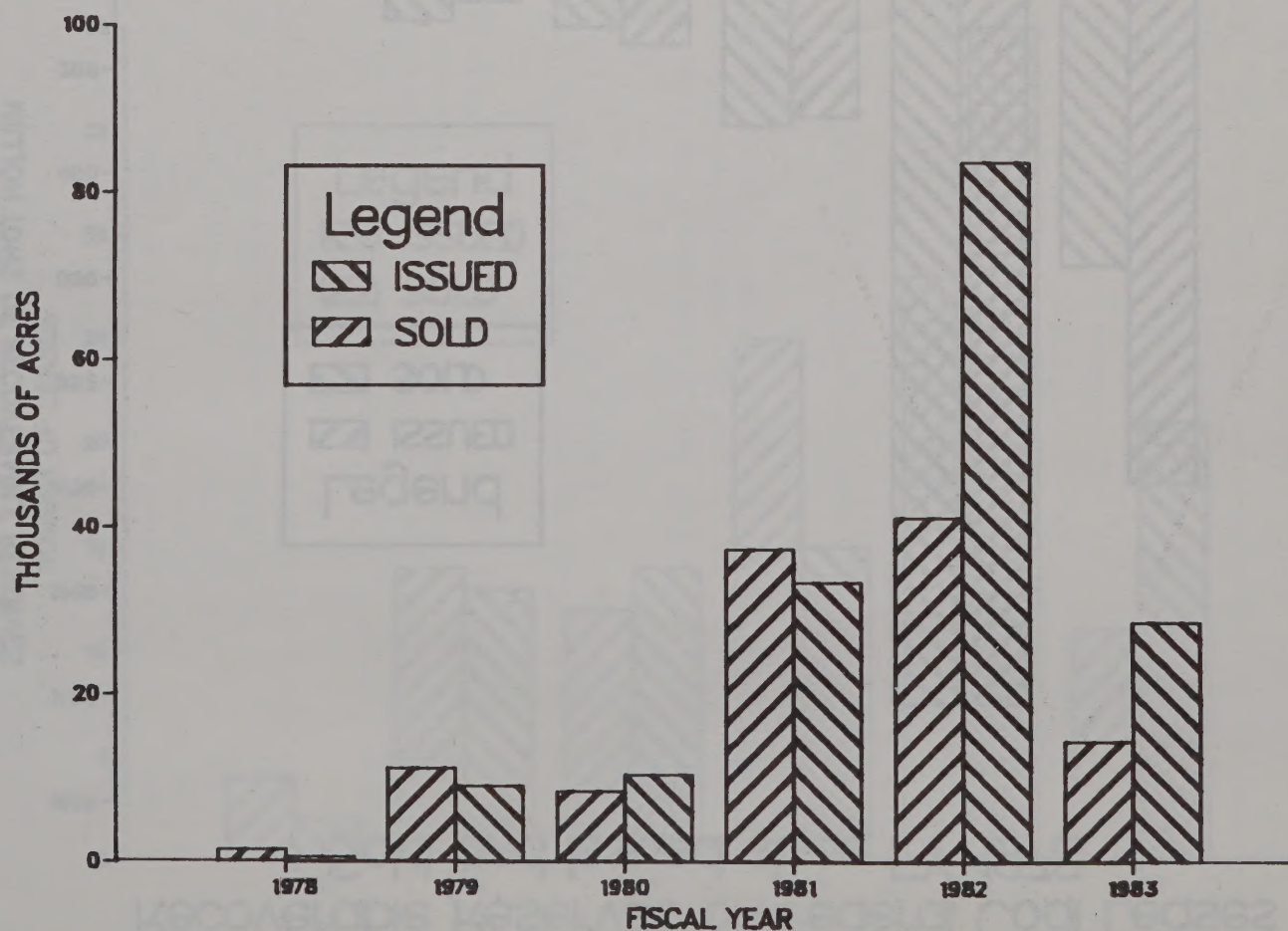
Recoverable Reserves on Federal Coal Leases Sold and Issued since FY 1978



SOURCE: Automated Coal Lease Data System,
September 30, 1983.

Figure A-3

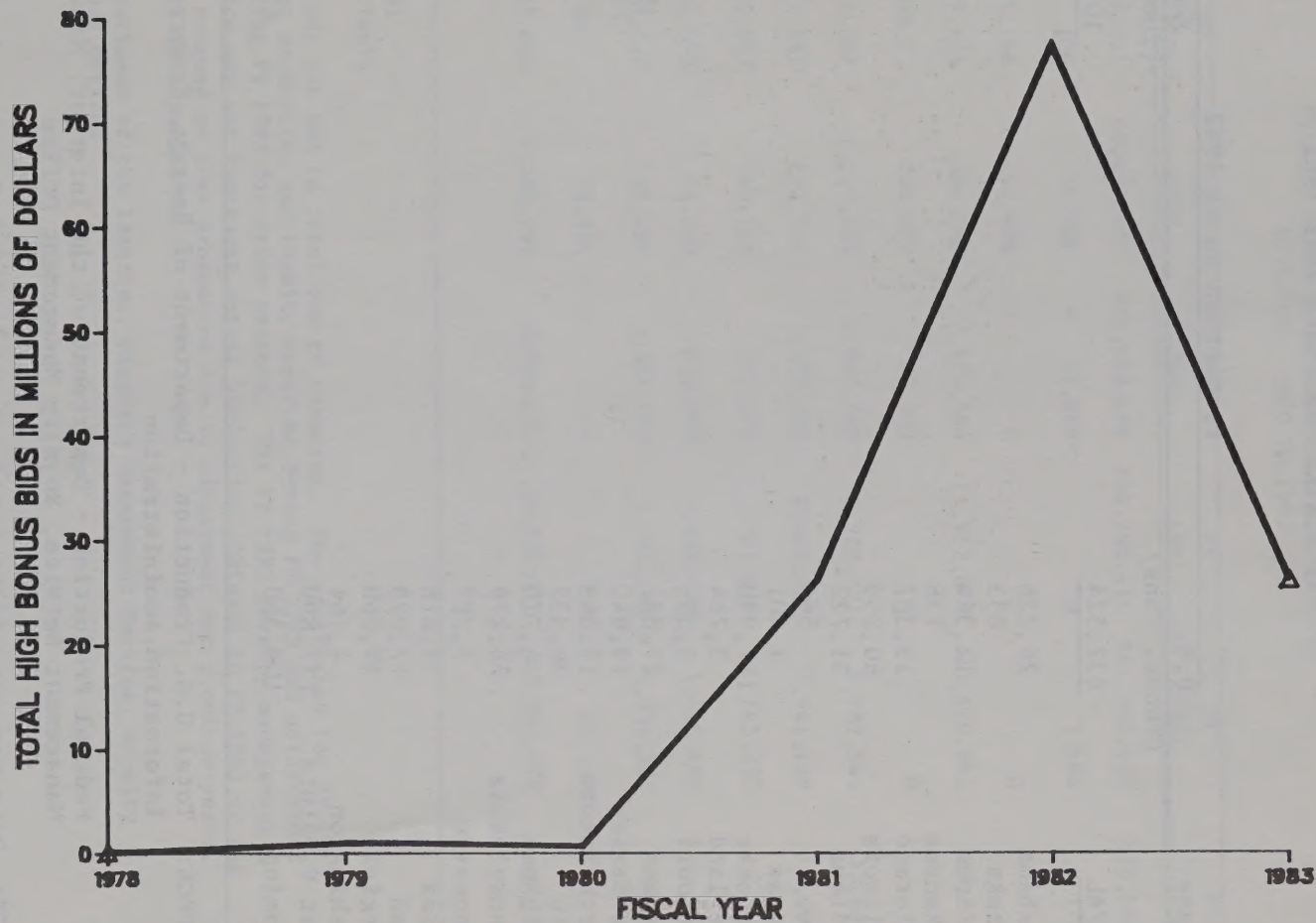
Acres on Federal Coal Leases Sold and Issued since FY 1978



SOURCE: Automated Coal Lease Data System,
September 30, 1983.

Figure A-4

Bonus Bids for Federal Coal Leases Sold since FY 1978



SOURCE: Automated Coal Lease Data System,
September 30, 1983

TABLE A-10

TOTAL UNITED STATES COAL PRODUCTION AND FEDERAL PRODUCTION
BY STATE: CALENDAR YEAR 1982

State	Production in CY 1982	
	U.S. (Thous. Tons)	Federal (Thous. Tons)
<u>TOTAL</u>	<u>832,524</u>	<u>101,093</u>
Alabama	26,226	24
Alaska	833	0
Arizona	12,364	0
Arkansas	138	0
Colorado	18,307	9,691
Illinois	60,259	0
Indiana	31,722	0
Iowa	564	0
Kansas	1,401	0
Kentucky	147,930	0
Maryland	3,764	0
Missouri	5,336	0
Montana	27,882	10,652
New Mexico	19,940	4,404
North Dakota	17,848	1,455
Ohio	36,337	0
Oklahoma	4,770	243
Pennsylvania	78,279	0
Tennessee	7,287	0
Texas	34,818	0
Utah	17,029	10,925
Virginia	39,068	0
Washington	4,161	87
West Virginia	127,899	0
Wyoming	108,360	63,612

SOURCE: Total U.S. Production - Department of Energy, Energy
Information Administration

Federal Production - Department of the Interior, Minerals
Management Service, Royalty Management Office

NOTE: Data may not add to totals shown because of independent rounding.

TABLE A-11

ROYALTY REVENUES FROM FEDERAL COAL LEASES,
BY STATE: 1970 TO 1983

STATE	FY 1970	FY 1975	FY 1980	FY 1981	FY 1982	FY 1983
<u>TOTAL</u>	\$1,069,935	\$4,857,423	\$24,568,692	\$40,280,418	\$61,062,456	\$56,666,428
Alabama	106	24,394	31,669	0	3,686	175,600
Alaska	41,146	51,438	0	0	0	0
Colorado	303,405	364,035	7,115,564	11,952,875	13,170,861	12,270,325
Kentucky	NA	126,643	10,830	0	0	0
Montana	11,027	1,219,863	2,065,885	3,922,771	8,782,544	13,681,669
New Mexico	1,347	242,716	1,472,900	3,440,772	7,841,138	5,000,506
North Dakota	135,997	60,013	272,272	101,677	745,253	2,106,051
Oklahoma	54,053	43,199	826,942	1,009,820	1,110,490	606,141
Utah	299,547	456,480	3,968,073	5,094,133	5,833,291	7,611,949
Washington	NA	18,851	0	0	13,115	46,149
Wyoming	222,805	2,249,791	8,804,557	14,758,370	23,562,078	15,168,038

NA: Not Available

NOTE: Details may not add to total due to rounding. The statistics for FY 1983 represent production and royalty reported during FY 1983 and adjustments made during FY 1983 for prior periods. The FY 1983 royalty management statistics may not represent actual production achieved in FY 1983 or the royalty accrued on that production due to adjustment for previous years. This data is unpublished.

SOURCE: U.S. Department of the Interior, Minerals Management Service, Royalty Management Office.

TABLE A-12

FEDERAL COAL PRODUCTION, PRODUCTION VALUE, AND ROYALTY VALUE
FY 1973 to 1983

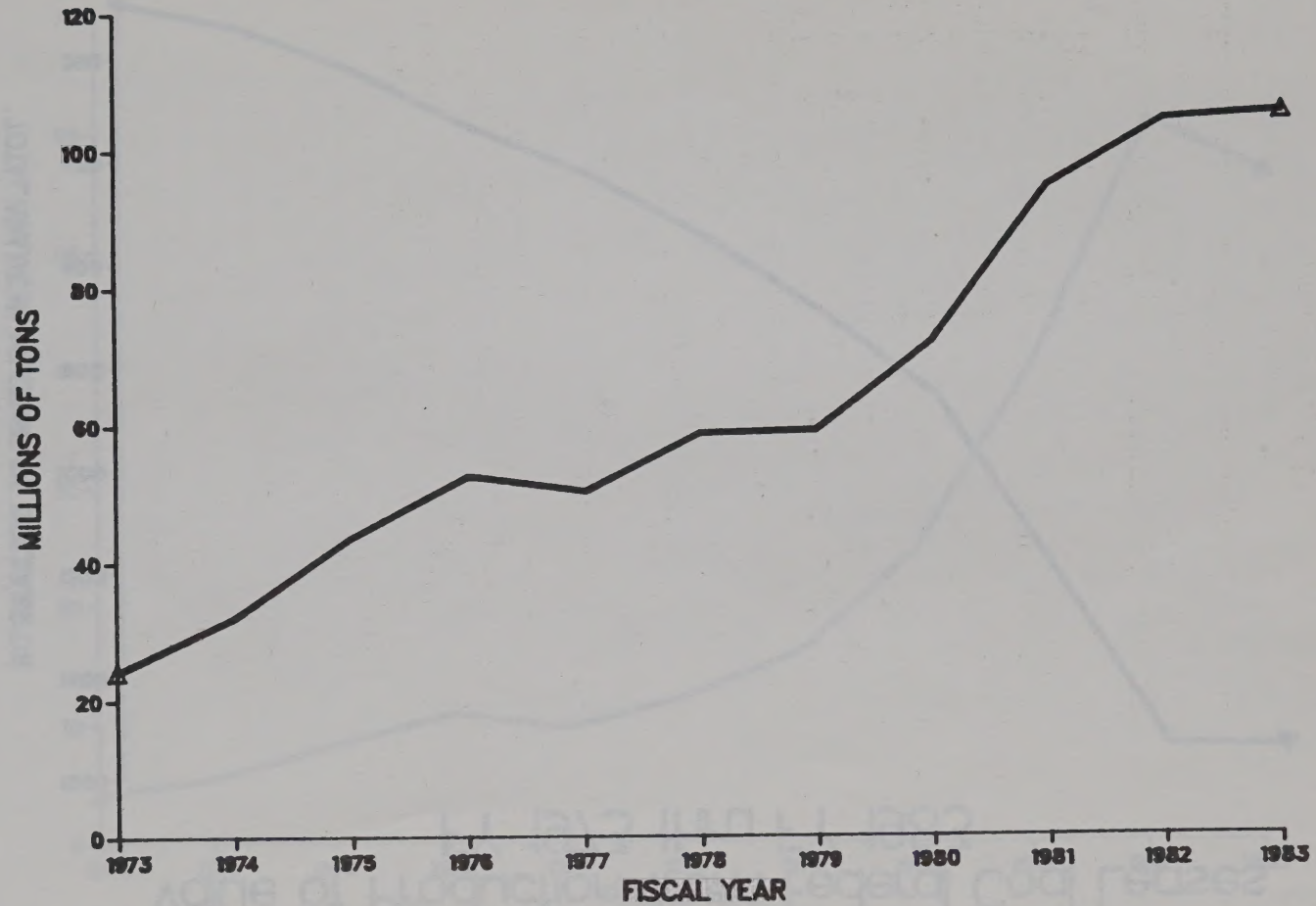
Fiscal Year	Coal Production (Thousand Tons)	Production Value (Thousand Dollars)	Royalty Value (Thousand Dollars)
1973	24,247	93,307	\$4,044
1974	32,139	140,307	5,535
1975	43,590	224,947	8,335
1976	52,491	338,312	10,949
1977	50,197	430,230	9,718
1978	58,781	550,712	12,321
1979	59,141	699,234	16,119
1980	71,958	862,817	24,569
1981	94,645	1,198,764	40,280
1982	104,430	1,546,322	61,062
1983	105,449	1,550,462	56,667

NOTE: The data in this table are used in Figures A-5, A-6 and A-7.

SOURCE: U.S. Department of the Interior, Geological Survey, Federal and Indian Lands Coal, Phosphate, Potash, Sodium, and other Mineral Production, Royalty Income, and Related Statistics, June 1981 for data for FY 1973-1975. Data for succeeding Fiscal Years is unpublished and is from Minerals Management Service, Royalty Management Office.

Figure A-5

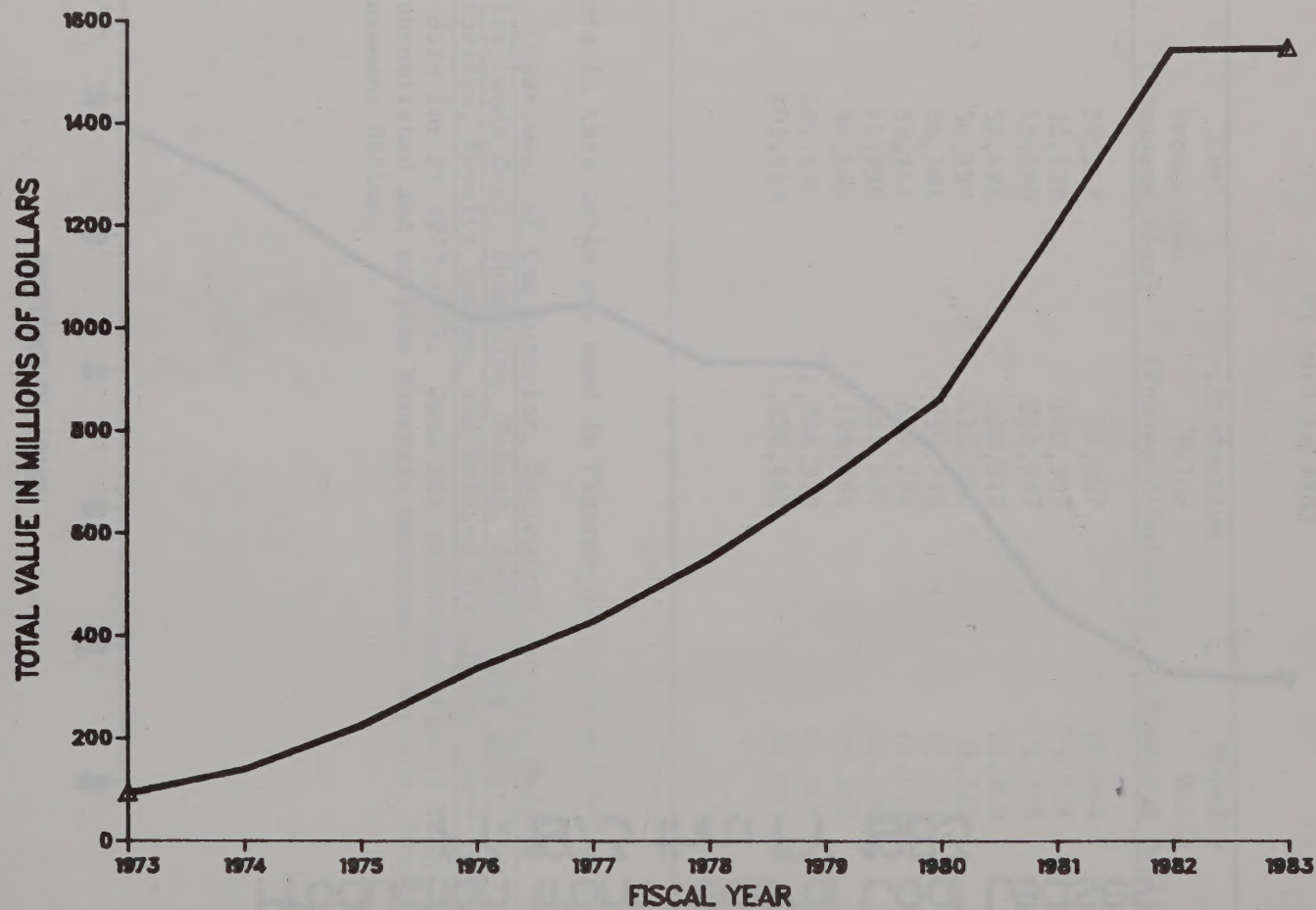
Production from Federal Coal Leases FY 1973 thru FY 1983



SOURCE: Royalty Accounting Statistics,
Minerals Management Service, December, 1983

Figure A-6

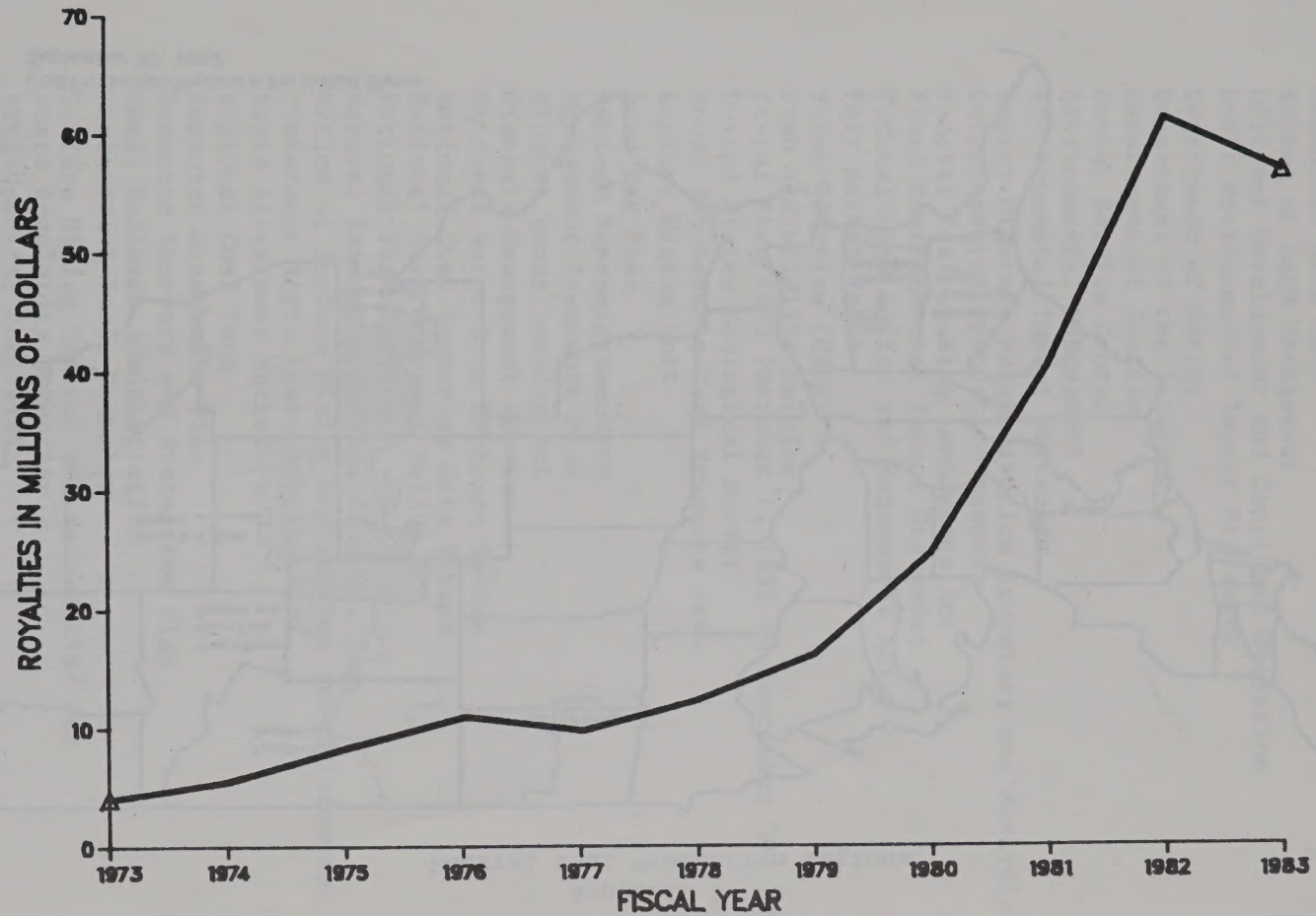
Value of Production from Federal Coal Leases FY 1973 thru FY 1983



SOURCE: Royalty Accounting Statistics,
Minerals Management Service, December, 1983

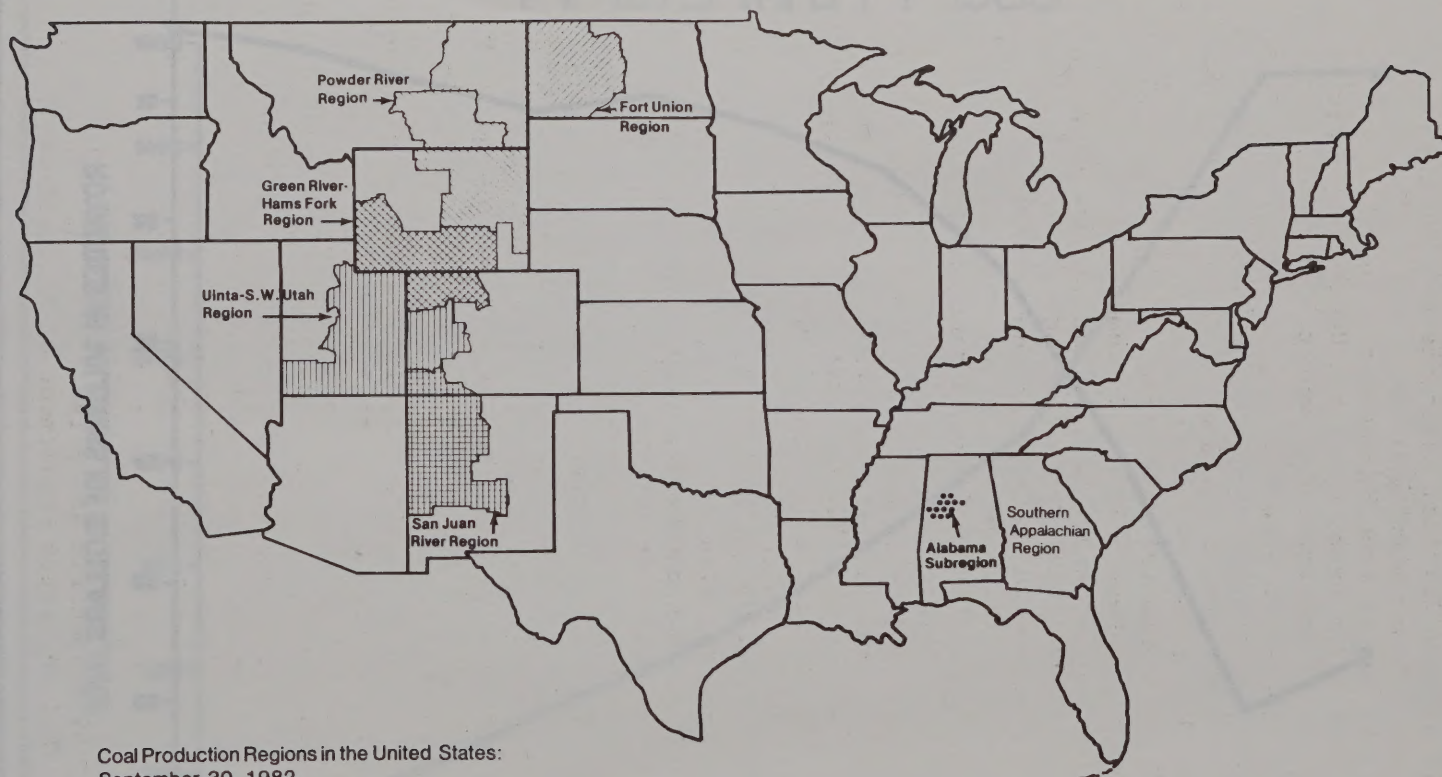
Figure A-7

Royalties from Federal Coal Leases FY 1973 thru FY 1983



SOURCE: Royalty Accounting Statistics,
Minerals Management Service, December, 1983

Appendix B Federal Coal Production Regions



Coal Production Regions in the United States:
September 30, 1982

GLOSSARY

ACEC	Area of Critical Environmental Concern
AML	Abandoned Mine Land
BLM	Bureau of Land Management
DD-CO	Diligent Development and Continued Operation
DEIS	Draft Environmental Impact Statement
DOE	Department of Energy
DOI	Department of the Interior
DOJ	Department of Justice
DSC	Denver Service Center
EA	Environmental Assessment
EIS	Environmental Impact Statement
EMRIA	Energy Minerals Rehabilitation Inventory and Analysis
EPA	Environmental Protection Agency
FCLAA	Federal Coal Leasing Amendments Act
FEIS	Final Environmental Impact Statement
FLPMA	Federal Land Policy and Management Act
FMV	Fair Market Value
FS	Forest Service (USDA)
FWS	Fish and Wildlife Service
FY 1983	Fiscal Year 1983 (October 1, 1982 to September 30, 1983)
GS	United States Geological Survey
KRCRA	Known Recoverable Coal Resource Area
LMU	Logical Mining Unit
LUP	Land Use Plan
MER	Maximum Economic Recovery
MFP	Management Framework Plan
MLA	Mineral Lands Leasing Act
MMS	Minerals Management Service
NAWDEX	National Water Data Exchange System
NCRDS	National Coal Resources Data System
NEPA	National Environmental Policy Act
NPS	National Park Service
NRDC	Natural Resources Defense Council, Inc.
OSM	Office of Surface Mining Reclamation and Enforcement
PRLA	Preference Right Lease Application
RAM	Rapid Assessment Method
RCT	Regional Coal Team
RMP	Resource Management Plan
R2P2	Resource Recovery and Protection Plan
SBA	Small Business Administration
SID	Secretarial Issue Document
SMCRA	Surface Mining Control and Reclamation Act
SRA	State Regulatory Authority
SSA	Site-Specific Analysis
USDA	United States Department of Agriculture



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